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Comprehensive Annual Financial Report 1987

MISSISSIPPI

Fiscal Year Ended June 30, 1987

State Fiscal Management Board
Post Office Box 267
Jackson, Mississippi 39205

Thomas H. Campbell, III
State Fiscal Officer

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STATE OF MISSISSIPPI
FISCAL MANAGEMENT BOARD

JOHN S. CALLON
Natchez

BILL ALLAIN
Governor
THOMAS H. CAMPBELL, III
State Fiscal Officer

MIKE P. STURDIVANT
Glendora

December 28, 1987

To The Governor, Members of the Legislature and
Citizens of the State of Mississippi:

In accordance with Section 27-104-4, Miss. Code Ann. (1972), it is my pleasure to transmit to you the Comprehensive Annual Financial Report (CAFR) of the State of Mississippi for the year ended June 30, 1987. This is the second CAFR produced by the State and represents our continued commitment to financial reporting excellence.

Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentations in the CAFR, including all disclosures, rests with the State. I believe the information as presented is accurate in all material aspects and is presented in a manner designed to set forth the financial position and results of operations of the State of Mississippi in accordance with generally accepted accounting principles. The financial presentations in the CAFR are meant to show the financial activity of the fund types and account groups of the State. All disclosures necessary to enable a reader to gain maximum understanding of the State's financial activities have been included.

This report has been prepared in conformance with generally accepted accounting principles (GAAP). As such, it presents the combined financial position and results of operations of the State in a manner which can be compared to similar reports of other states to identify relevant trends and changes.

Mississippi is one of the first states to publish a Comprehensive Annual Financial Report which contains audited financial statements with an unqualified opinion. The importance of the report has been acknowledged by the State of Mississippi's Legislature enacting a law requiring a Comprehensive Annual Financial Report to be published within six months of the close of each fiscal year. We are proud to be one of the earliest states to recognize the need for audited state-wide financial statements prepared in accordance with GAAP. These statements provide the taxpayers of the State of Mississippi, our public officials, members of the media, and the investment community with complete and full disclosure of our financial position and results of operations.

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Each agency of the State of Mississippi has prepared financial statements for the funds under its jurisdiction and responsibility. These statements are prepared by reconciling the agency general ledger accounts to the cash receipts and disbursement records of the Financial Control Department of the Fiscal Management Board. The agencies then convert their funds to the modified accrual or accrual basis of accounting according to GAAP fund type classifications. Each agency director or chief fiscal officer has accepted responsibility for the accuracy and completeness of the financial information presented by his respective agency. These activities are carefully reviewed and internally checked by the Fiscal Management Board before compiling these funds into the State's Comprehensive Annual Financial Report.

Report Structure

The 1987 Comprehensive Annual Financial Report is comprised of three sections as recommended by the Governmental Accounting Standards Board: the introductory section which provides summary financial data and narrative commentary on matters of interest to the reader; the financial section, which includes the auditor's report, audited general purpose financial statements and notes thereto, and underlying combining and individual fund financial statements and supporting schedules; and the statistical section, which sets forth unaudited statistical trend information, demographic and economic data that provides information regarding the general economic condition of the State.

The notes to the financial statements are included in the financial section and are considered an integral and essential part of adequate disclosure and fair presentation of the general purpose financial statements. The notes include the summary of significant accounting policies applied to the financial statements of the State and other necessary disclosure of pertinent matters relating to the financial position and results of operations of the State. The notes provide significant insight into the financial statements and are necessary to understand the financial statements.

Financial and Accounting System

The State's central accounting system and agency accounting records are maintained on a cash budgetary basis, reconciled and converted by the agencies to the appropriate basis of accounting at year end. Governmental fund types are converted to the modified accrual basis with revenues recognized when measurable and available and expenditures recognized when services or goods are received and the related fund liabilities incurred. Accounting records for expendable trust and agency funds are similarly converted from cash budgetary basis to modified accrual basis. The State's proprietary, nonexpendable trust and pension trust funds are converted to the accrual basis whereby revenue is recorded when earned and expenses recognized when incurred. The financial statements of the university funds have been prepared in conformity with GAAP as prescribed by the National Association of College and University Business Officers and the American Institute of Certified Public Accountants.

In developing and modifying the State's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within this framework. I believe that the State's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Major fiscal responsibilities within the State of Mississippi are segregated among the following elected and appointed officials:

State Fiscal Management Board - The State Fiscal Management Board is responsible for providing financial policy guidelines, developing the executive budget, collecting financial data from individual agencies, developing and enforcing allotment control procedures, and compiling financial statements in conformance with generally accepted accounting principles.

State Auditor - The State Auditor, an elected official, is responsible for annually auditing the statewide combined financial statements prepared by state agencies and the State Fiscal Management Board.

State Treasurer - The State Treasurer, an elected official, is responsible for formulating and executing policy for the management of the State Treasury and depositing and investing state funds.

State Agencies - Agency directors are responsible for administering their agencies in accordance with legislative and executive mandates and for preparing the general ledger, trial balance and reports of revenues, expenditures, and fixed assets for the funds for which they are responsible.

Budgets

The State's annual budget is prepared on the cash basis utilizing encumbrance accounting. After approval of the budget by the Legislature, budgetary control is maintained by a formal appropriation and allotment system. The allotment control is designed as a management tool to enable agencies to operate on a continuing basis. Encumbrances, represented by executed but unperformed purchase orders, are recorded as expenditures for budgetary purposes if submitted for payment within the 60-day lapse period, and as a reservation of fund balance for GAAP purposes. Budget and actual expenditure amounts are recorded in the Combined Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP Basis) - All Budgetary Funds.

Unexpended appropriations are available for subsequent expenditure only to the extent that encumbrances have been incurred at June 30, provided they are presented for payment during the succeeding 60-day lapse period. Lapse period expenditures are reported as expenditures in the current year budgetary presentation.

Reporting Entity

The Comprehensive Annual Financial Report presents information on the financial position and operations of state government as one reporting entity. The various agencies, departments, boards, commissions and funds of Mississippi's state government which constitute the State reporting entity are included in this Comprehensive Annual Financial Report following criteria established by the Governmental Accounting Standards Board. As more fully discussed in Note 1B, the criteria include selection of governing authority, designation of management, ability to significantly influence operations, accountability for fiscal matters, scope of public service, and/or special financing relationships.

The State's Universities are reported as a "discrete presentation" in a separate fund category on the balance sheet. The University Funds Combined Statement of Revenues, Expenditures, Interfund Transfers, Operating Transfers, and Changes in Fund Balances is presented separately in conformity with applicable generally accepted accounting principles within the general purpose financial statements.

General Government Functions

Most State functions are financed through the governmental fund types, which include the general, special revenue, capital projects, and debt service funds. Revenues from governmental fund type sources for fiscal year 1987 and the changes from last fiscal year are summarized in the following tabulation:

Revenues by Source	Amount	Percent of Total	Increase (Decrease) over FY 1986
State taxes	$1,936,314,231	53.7	$22,026,889
Licenses, fees and permits	73,130,443	2.0	9,209,357
Interest on investments	39,867,322	1.1	(8,137,488)
Federal government	1,354,168,215	37.6	72,797,411
Departmental services	149,054,573	4.1	4,972,835
Other	53,996,164	1.5	(28,904,595)
	$3,606,530,948	100.0	$71,964,409

Since there was not an increase in tax rates, the increase in tax revenues shows a stable and growing economy in the State. Most tax increases are from individual, corporate and sales taxes. Federal government revenues coming into the State show the largest dollar increase. The medicaid program had an increase of $45 million in grants. The Department of Education school lunch program increased $25 million due mainly to the implementation of public kindergartens.

Expenditures from governmental fund type sources for fiscal year 1987 and the changes from the last fiscal year are summarized as follows:

Expenditures by Function	Amount	Percent of Total	Increase (Decrease) over FY 1986
General government	$ 563,363,466	17.1	$44,962,842
Education	990,150,863	30.0	64,034,503
Health and social services	1,091,492,513	33.1	56,271,998
Law, justice and public safety	128,921,691	3.9	(2,925,556)
Recreation and resources development	71,186,883	2.1	(637,101)
Regulation of business and professions	11,691,234	.4	(300,108)
Transportation	345,886,759	10.5	(57,628,196)
Debt service	70,855,756	2.2	(12,873,521)
Capital outlay	23,912,713	.7	(908,973)
	$3,297,461,878	100.0	$89,995,888

The above expenditures for education do not reflect $239,252,873 and $272,670,550 transferred to the Universities in fiscal year 1987 and fiscal year 1986, respectively. These are classified as operating transfers from the General Fund to the Universities.

The most significant percentage increase in expenditures over the previous fiscal year is in the area of education. Expenditures for education show an increase of 6.9% over fiscal year 1986. The majority of this increase is due to an increase of $1,000 in the base salaries of teachers and the state funding of kindergartens.

This report reflects a strong financial position for the State. Mississippi's performance resulted in a total governmental GAAP fund balance of $732.7 million, of which $257 million was unreserved and undesignated. Under the budgetary basis of accounting, Mississippi's performance resulted in a combined General Fund and Special Fund cash balance of $276 million at the end of the fiscal year. In comparison, at the end of fiscal year 1986, the State had a combined General Fund and Special Fund cash balance of $234 million or an increase of $42 million.

Debt Administration

The State Bond Commission, composed of the Governor, State Attorney General and State Treasurer, approves and authorizes the sale and issuance of all bonds in accordance with authorizing legislation and within defined constitutional debt limit. The total outstanding general obligation bonded indebtedness of governmental fund types for the State as of June 30, 1987, was $401,139,663, which is 12.1% of the $3,324,887,000 bonded indebtedness ceiling established by the State constitution. Mississippi currently has an Aa rating from Moody's Investors Services and an AA- rating from Standard and Poor's Corporation.

During the fiscal year ending June 30, 1987, the State Bond Commission issued $14.685 million in general obligation and limited obligation bonds. These bond issues included $10 million to construct and renovate school buildings, $2.485 million for purchase of state office facilities, and $2.2 million under the Mississippi Business Investment Act to partially finance construction and equipping of a building for the Mississippi Technology Transfer Center at the National Space Technology Laboratory site in Hancock County.

The Mississippi Business Investment Act of 1986 was created to promote business and economic development in the State through State assistance in the financing of job producing projects. This is accomplished by the State making loans (including interest-free loans) and grants to municipal governments located within the State to assist in securing strategic investments by private companies and others locating or expanding in the State. In fiscal year 1987, the State extended $7,636,400 in interest-free loans and $3,532,600 in grants to finance the location of projects in the State. These transactions are reflected in the General Fund and were funded through the issuance of short-term Business Investment Act obligations which were refinanced after the date of the financial statements, as part of the issuance of Mississippi Business Investment Act General Obligation Bonds dated August 1, 1987.

The State's constitutional debt limit is established under Section 115 of the Mississippi Constitution which provides:

> "Neither the State nor any of its direct agencies, excluding the political subdivisions and other local districts, shall incur a bonded indebtedness in excess of one and one-half (1 1/2) times the sum of all the revenue collected by it for all purposes during any one of the preceding four fiscal years, whichever may be higher."

The constitutional debt limitation for fiscal year 1988 is $3,415,249,259.

The State Fiscal Management Board has long-term planning responsibilities with respect to bond indebtedness. The following table provided by the State Fiscal Management Board forecasts the State's underlying revenues for the next five years and the subsequent year debt limitation:

Year Ending June 30	Estimated Revenues	Constitutional Debt Limit
1988	$2,417,996,475	$3,626,994,713
1989	2,584,838,232	3,877,257,348
1990	2,763,192,070	4,144,788,105
1991	2,953,852,323	4,430,778,484
1992	3,153,237,355	4,729,856,032

Current practice restricts revenues included in the foregoing debt limitation computation to the following governmental fund revenues: taxes, licenses, fees and permits, investment income, rental income, service charges including net income from the Alcoholic Beverage Control Division, fines, forfeits and penalties. Revenues shown in the preceding table were calculated by applying

Percent Change of State and Local Receipts, Table 7.1, June, 1987, Wharton Econometric Forecasting Associates to actual data for the year ended June 30, 1987.

Cash and Investment Management

It is the duty of the State Treasurer and the State Fiscal Officer, on or before the tenth day of each month and at any other time when necessary, to analyze the amount of cash in the State General Fund and in the Special Funds credited to any special purpose designated by the Legislature. They also determine when the cash in such funds is in excess of the amount needed to meet current needs. The State Treasurer's office in turn deposits such excess funds with official depositories of the State. Short-term certificates of deposit are purchased at a rate of interest which is statutorily required to be numerically equal to the discount rate on United States Treasury bills of comparable maturity. In addition, the Public Employees' Retirement System, the Mississippi Housing Finance Corporation and a small number of other State agencies carry out investment activities separate from the State Treasurer. (See Note 4 for a more detailed discussion of investments).

During the year ended June 30, 1987, the State implemented Governmental Accounting Standards Board (GASB) Statement 3. The statement requires disclosures concerning the legal or contractual provisions for deposits and investments including repurchase agreements, a description of the types of investments authorized, deposits and investments, including repurchase agreements, as of the balance sheet date and during the period, legal or contractual provisions on reverse repurchase agreements and balances as of the balance sheet date and any significant violations of legal and contractual provisions during the year. The purpose of these disclosures is to help the users of the State's financial statements assess the risks associated with the State's investments. The State does not currently have in place a means to monitor the market value of securities on a daily basis.

There are two legal funds included in the GAAP General Fund, the General Fund Stabilization Reserve Fund and the General Fund Reserve Fund, in which certain surplus monies are deposited and may be appropriated by the Legislature to meet unforeseen revenue shortfalls occurring during the next fiscal year. Although there was an excess of revenues over expenditures in fiscal year 1986, the amount of unexpended appropriation that was carried forward into fiscal year 1987 caused a deficiency of revenues over expenditures; therefore, there was not a transfer to this fund. In addition, there is a Working Cash Balance Revolving Fund with a balance of $34 million that the State Treasurer may draw upon to meet cash flow needs.

Risk Management

The State has been governed by the laws of sovereign immunity and has thus been protected from claims of negligence for its acts and the acts of its employees. On July 1, 1988, the immunity of the State will be waived to certain limits and with certain exclusions as prescribed by law. Thus the State is actively developing a risk management program. Not withstanding these exclusions, the public will be able to make claims against the State for acts of negligence either by a governmental entity or an employee of that entity.

The State is in the process of developing a pooling arrangement of all state agencies. This pooling will be to provide coverage for all risks the government's entity may be subject to under the waiver of immunity act. Money contributed to the pool will be used to provide claims handling, loss control, and litigation defense for such claims of negligences brought against a state agency. Due to the fact the State does not have loss experience data, contributions for the first two years will be based primarily on budget. As the State develops loss experience reports there will be a shift to experience as a means to calculate contributions. A pooling arrangement combined with the limits of liability as established by law provides us with a means of protecting agencies from all such risks they may face under the act.

A study is presently being conducted to develop a self-insuring workers' compensation insurance program. The experience of the agencies and their premium contribution will determine the feasibility of a self-insurance program.

The State also recognizes that property damage protection is a very important aspect of any risk management program. Future efforts to provide a comprehensive risk management program for the State will certainly include studying ways of property protection.

Pension Trust Funds

The Governmental Accounting Standards Board has issued Statement 5 concerning disclosure of pension information by Public Employee Retirement Systems of State and Local Government Employees. Although the State is not required to implement these disclosure requirements until fiscal year 1988, we are pleased to report the required disclosures are in Note 17 to the financial statements for fiscal year 1987.

Total assets of the State's two pension trust funds amounted to $3.77 billion at June 30, 1987. The actuarial report noted that progress in funding continued and that the unfunded liability liquidation periods of the Public Employees' Retirement System and of the Mississippi Highway Safety Patrol Retirement System are 14 and 16 years, respectively, as of June 30, 1986.

Proprietary Funds

Combined operating revenues for the State's enterprise funds were $116 million for the 1987 fiscal year. Combined operating expenses were $110 million during the same period. The Mississippi Housing Finance Corporation, created to provide housing loans to lower and moderate income citizens, again paced the enterprise fund activity ($76.6 million and $71.4 million in operating revenues and expenses, respectively). Outstanding enterprise fund bonds at June 30, 1987 totaled $830.6 million, consisting of $21.7 million in general obligation bonds and $808.9 million in revenue bonds.

General Fixed Assets

The general fixed assets of the State are those fixed assets used in the performance of general government functions. Infrastructure, such as highways and bridges, are not included in general fixed assets. General fixed assets exclude the fixed assets of the enterprise, internal service, nonexpendable trust and university funds. As of June 30, 1987, the State's general fixed assets amounted to $717,036,524.

University Funds

University current funds revenues were $379 million in 1987. State appropriations to these funds were $239 million. Current fund expenditures, mandatory transfers and other transfers were $590 million, $8 million and $11 million, respectively. Student loans outstanding at June 30, 1987, primarily from federal government sources, totaled $38.9 million. Total assets of the endowment and similar fund groups in 1987 were $14 million. University fund bonded debt outstanding at June 30, 1987 was $32 million consisting of $12 million in general obligation bonds and $20 million in revenue bonds.

Economic Conditions

The 1987 Legislature approved a $1.5 billion highway construction program which is to be completed over a fourteen-year period. The program is financed by removing the 6% sales tax on fuels and adding a 9 cent per gallon excise tax phased in by January, 1989. Sales tax designated for highway construction has varied but in recent years has been $50 million a year. The highway construction program will have a multiplier effect by creating employment, sales tax and income tax to the State.

The Mississippi Business Investment Act has made a commitment for a $20,103,000 interest-free loan and a $2,500,000 grant to Jackson County to finance a portion of the costs of various facilities and improvements to be transferred without charge to the U.S. Navy for use as a Naval Homeport at Singing River Island. The State will build a causeway to the Island. This project is anticipated to create approximately 2,600 new jobs. It is anticipated that additional projects of this type will be created in the future.

In November of 1986, with the approval of the Governor, the State Auditor and the Central Data Processing Authority, the State Fiscal Management Board entered into a contract with a certified public accounting firm to develop and install an automated accrual accounting system. The accounting subsystems include purchasing, accounts payable, fixed assets, general ledger/financial reporting, and a report writer. Other areas which will be covered by the subsystems are grant accounting, CAFR reporting and project/program accounting. The accounting system is presently being adapted for use in the following state agencies: Department of Education, Central Data Processing Authority, Rehabilitation Services Disability Determination Services, and the Financial Control Department of the State Fiscal Management Board.

Prospects for the Future

Mississippi is taking steps necessary to compete in the marketplace and to develop its resources. In 1982, the State Legislature adopted the first comprehensive statewide education reform in the nation. The State has now entered the fifth fiscal year since enactment, and the reform package is on schedule. The accomplishments have been substantial in grades K-12 and in college-entrance examination scores. The vocational-technical training programs in the high schools and community colleges have been revamped and new equipment added to address current needs of industry demanding new skills and new technologies. The community colleges are training and re-training approximately 25,000 persons annually in vocational training with state-of-the-art equipment.

The State, realizing the need for innovations and new technologies to build a strong competitive economy, is making the following investments and commitments toward a technology-based economy:

(a) The State has constructed a $4 million Technology Transfer Center at the National Space Technology Laboratories in Hancock County.

(b) A $20 million super-computer for use by the public and private sector will be installed at the University of Mississippi by January 7, 1988.

(c) An $11.5 million National Center for Physical Acoustics is under construction at the University of Mississippi.

(d) Mississippi State University and the City of Starkville have launched a joint effort to develop a high technology industrial park, with the cornerstone being the multimillion-dollar research program in microelectronics.

(e) Mississippi State University also has one of the nation's finest schools of veterinary medicine, whose aquaculture research is gaining national recognition and funding from State, Federal, and private sources. The new catfish industry has achieved a $250 million annual economic impact and has employed over 6,000 people.

(f) A $10 million research facility for the polymer science program is being constructed at the University of Southern Mississippi.

(g) The University of Southern Mississippi also has a joint project with NASA for applying new technologies to existing industry, particularly in the field of robotics.

(h) Federal, State, and private funds have been obtained for the Institute for Technology Development. It is expected that this project will be a model for technology development in the United States.

(i) The State and the private sector have established and opened an incubator for small businesses in Jackson.

The Legislature authorized $100 million under the Mississippi Business Investment Act to assist counties and cities in infrastructure improvements for locating or expanding industry. This new and innovative program has had a significant role in locating several national industries with high-wage jobs and the Navy Homeport at Pascagoula. The Legislature passed a $1.5 billion four-lane highway program in 1987 which will connect all areas of the State with the nation's interstate highway system. The highway system will provide easy access to the waterways that surround the state, such as the Tennessee-Tombigbee Waterway, the Mississippi River and the Gulf of Mexico.

Audit

Pursuant to Section 7-7-211(d), Miss. Code Ann. (1972), the State Auditor has performed an examination, in accordance with generally accepted auditing standards, of the State's combined financial statements. His unqualified opinion is presented as the first page of the financial section of this report.

As required by federal law, the State Auditor has undertaken a single audit of the State as a whole, which will include a legal compliance report on all federal funds received and expended by state government. This report, including the Schedule of Federal Financial Assistance received by the State and comments on internal accounting controls and compliance with laws, rules and regulations, will be published separately.

Certificate of Achievement

This report has been prepared following the guidelines recommended by the Government Finance Officers Association (GFOA). GFOA awards a Certificate of Achievement to those governments whose annual financial reports are judged to conform substantially with high standards of public financial reporting. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards and satisfy both generally accepted accounting principles and applicable legal requirements. We believe our current report conforms to the Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility for a certificate.

Acknowledgements

Preparation of this report could not have been accomplished without the dedicated services of the staff of the Fiscal Management Board and the various agency heads and employees who assisted and contributed to its preparation.

T.H. Campbell, III
State Fiscal Officer

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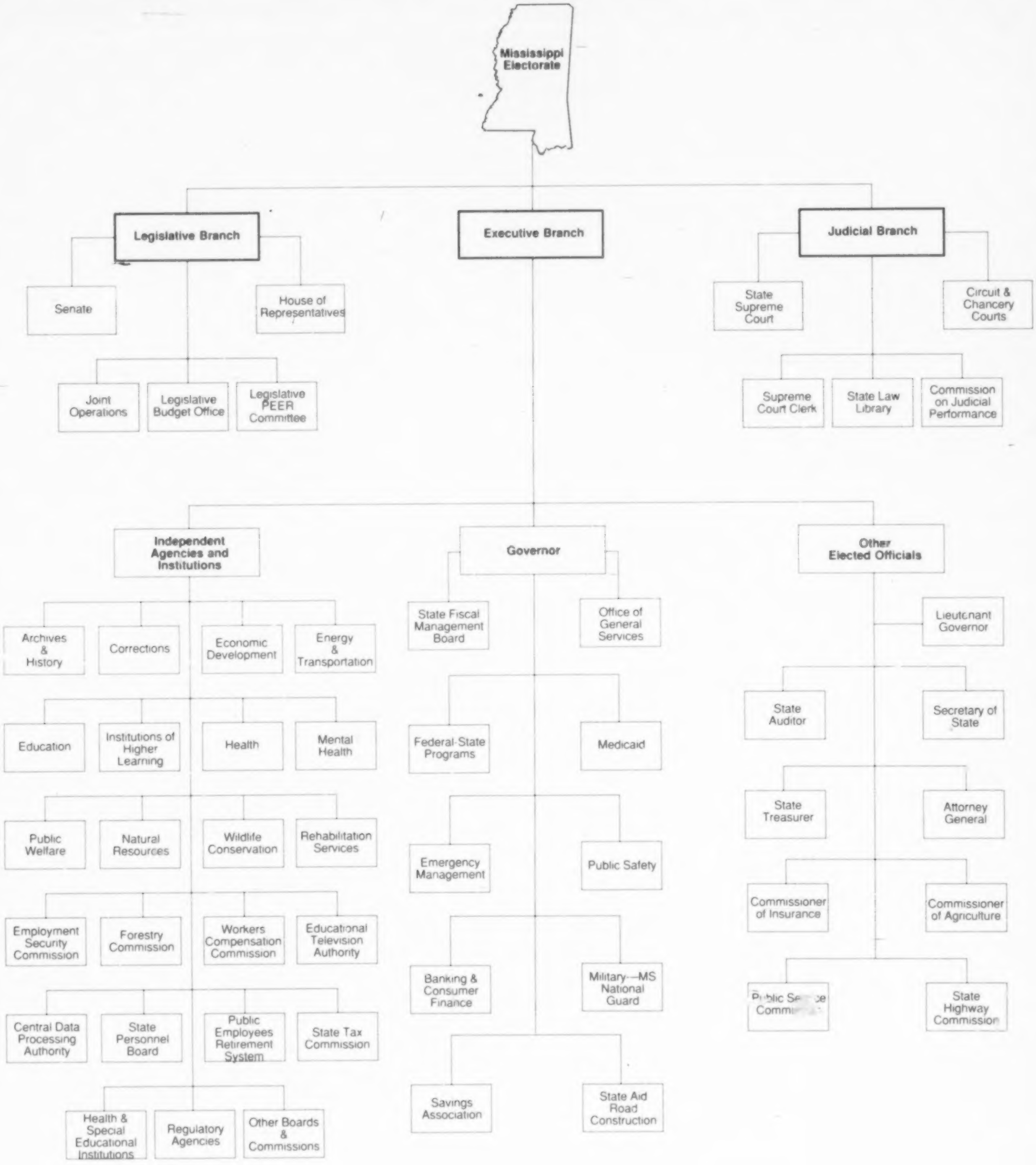
Organization Chart


Mississippi Electorate
Legislative Branch
Executive Branch
Judicial Branch
Senate
House of Representatives
Joint Operations
Legislative Budget Office
Legislative PEER Committee
State Supreme Court
Circuit & Chancery Courts
Supreme Court Clerk
State Law Library
Commission on Judicial Performance
Independent Agencies and Institutions
Governor
Other Elected Officials
Archives & History
Corrections
Economic Development
Energy & Transportation
Education
Institutions of Higher Learning
Health
Mental Health
Public Welfare
Natural Resources
Wildlife Conservation
Rehabilitation Services
Employment Security Commission
Forestry Commission
Workers Compensation Commission
Educational Television Authority
Central Data Processing Authority
State Personnel Board
Public Employees Retirement System
State Tax Commission
Health & Special Educational Institutions
Regulatory Agencies
Other Boards & Commissions
State Fiscal Management Board
Office of General Services
Federal-State Programs
Medicaid
Emergency Management
Public Safety
Banking & Consumer Finance
Military—MS National Guard
Savings Association
State Aid Road Construction
Lieutenant Governor
State Auditor
Secretary of State
State Treasurer
Attorney General
Commissioner of Insurance
Commissioner of Agriculture
Public Service Commission
State Highway Commission

Officials of State Government

Executive Branch

Governor
Bill Allain

Lieutenant Governor
Brad Dye

Secretary of State
Dick Molpus

State Auditor
Ray Mabus

State Treasurer
William J. Cole, III

Attorney General
Edwin Lloyd Pittman

Commissioner of Agriculture and Commerce
Jim Buck Ross

Commissioner of Insurance
George Dale

State Highway Commissioners
Bob Joiner
Zach Stewart
Sam W. Waggoner

State Public Service Commissioners
Nielsen Cochran
Lynn Havens
D. W. Snyder

State Fiscal Officer
Thomas H. Campbell, III

Legislative Branch

Speaker of the House of Representatives
C.B. Newman

President Pro Tempore of the Senate
Glen S. Deweese

Secretary of the Senate
Charles H. Griffin

Clerk of the House of Representatives
Charles J. Jackson, Jr.

Legislative Budget Office
Robert A. Greenlee, Director

Joint Legislative Committee on Performance Evaluation and Expenditure Review
John W. Turcotte, Director

Judicial Branch

Supreme Court of Mississippi

Chief Justice
Harry G. Walker

Presiding Justice
Roy Noble Lee

Presiding Justice
Armis E. Hawkins

Presiding Justice
Dan M. Lee

Justice
Lenore L. Prather

Justice
James L. Robertson

Justice
Michael Sullivan

Justice
Reuben Anderson

Justice
J. Ruble Griffin

Clerk of the Supreme Court of Mississippi
Sue Gordon

STATE OF MISSISSIPPI
OFFICE OF THE STATE AUDITOR

RAY MABUS
STATE AUDITOR

POST OFFICE BOX 956
JACKSON, MISSISSIPPI 39205-0956
(601) 359-3561

December 23, 1987

The Governor, Members of the Legislature
and Citizens of the State of Mississippi

We have examined the general purpose financial statements of the State of Mississippi as of and for the year ended June 30, 1987, as listed in the table of contents. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the general purpose financial statements of the State of Mississippi referred to above present fairly the financial position of the State of Mississippi at June 30, 1987, and the results of its operations and the changes in financial position of its proprietary fund types and its nonexpendable and pension trust funds for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Our examination was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund financial statements and related schedules are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the State of Mississippi. Such information has been subjected to the auditing procedures applied in the examination of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

The statistical and economic data listed in the table of contents were not audited by us, and accordingly, we do not express an opinion thereon.

Ray Mabus
RAY MABUS
State AUditor

RM:ss

General Purpose Financial Statements

All Fund Types and Account Groups

Combined Balance Sheet
June 30, 1987

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Assets:				
Cash and cash equivalents	$ 469,942,014	$ 94,016,339	$ 35,572,920	$ 20,295,426
Amount on deposit with U.S. Treasury				
Investments		1,000,000	51,863,000	
Collateral held under reverse repurchase agreements				
Receivables, net	289,246,743	23,124,250	743,012	
Interfund receivables	7,804,730	4,158,786	3,616,584	1,436,667
Inventories	111,092,744	847,994		
Prepaid expenses				
Loans and notes receivable	7,636,400	6,882,879	68,870,000	
Loans to other funds	119,613			
Due from other governments				
Restricted assets				
Property, plant and equipment, net				
Deferred charges and other assets				
Amount available in general and debt service funds				
Amount to be provided for retirement of:				
General obligation bonds				
Limited obligation bonds				
Other obligations				
Total Assets, Amounts Available and Amounts to be Provided for Retirement of Long-term Obligations	$ 885,842,244	$ 130,030,248	$ 160,665,516	$ 21,732,093
Liabilities:				
Warrants payable	$ 61,479,739	$ 10,481,465	$ 2,465,598	$ 276,631
Accounts payable and accruals	111,185,004	3,641,800		7,352
Income tax refunds payable	70,000,000			
Due to other governments	64,695,360	3,863,304		
Interfund payables	12,962,464	11,131,834	278,034	
Amounts held in custody for others				
Obligations under reverse repurchase agreements				
Deferred revenues	96,790,414	13,293,349		72,035
Liabilities payable from restricted assets				
Loans and notes payable				
Loans from other funds	2,800,000	163,676		
General obligation bonds and notes payable				
Limited obligation bonds payable				
Revenue bonds and notes payable				
Other obligations				
Total Liabilities	419,912,981	42,575,428	2,743,632	356,018
Fund Equity:				
Contributed capital				
Investment in fixed assets				
Retained earnings:				
Reserved for bond retirement				
Unreserved				
Fund balances:				
Reserved for:				
Encumbrances	8,693,376	1,642,229		
Inventories	28,843,501	847,994		
Long-term portion of loans and notes receivable	12,147,325	4,186,666	68,870,000	
Pension benefits				
Other specific purposes				
Unreserved:				
Designated for debt service	199,432		89,051,884	
Designated for road and highway construction	131,083,397			
Designated for future capital projects				21,376,075
Designated for other specific purposes	108,107,249	266,126		
Undesignated	176,854,983	80,511,805		
Total Fund Equity	465,929,263	87,454,820	157,921,884	21,376,075
Total Liabilities and Fund Equity	$ 885,842,244	$ 130,030,248	$ 160,665,516	$ 21,732,093

The accompanying notes to the financial statements are an integral part of this statement.

Proprietary Fund Types		Fiduciary Fund Types		Account Groups		Totals (Memorandum Only)	
Enterprise	Internal Service	Trust and Agency	University	General Fixed Assets	General Long-term Obligations	June 30, 1987	June 30, 1986
$ 94,836,343	$ 7,815,797	$ 367,741,701	$ 109,867,418	$	$	$ 1,200,087,958	$ 1,003,302,349
		358,973,618				358,973,618	359,809,752
289,373,215		2,710,099,358	6,459,985			3,058,795,558	2,628,027,621
		662,508,008				662,508,008	348,125,534
18,286,833	171,778	151,683,280	64,134,361			547,390,257	507,245,425
647,415	1,251,883	79,105,414	18,146,879			116,168,358	108,137,314
3,108,091		167,496	10,964,885			126,181,210	108,290,729
90,615			3,374,713			3,465,328	3,023.154
533,016,160			38,874,855			655,280,294	573,902,655
		2,963,676				3,083,289	2,800,000
32,214,722	9,983					32,224,705	29,545,463
1,032,741						1,032,741	4,231,124
34,084,109	6,705,450	4,573,518	769,696,834	717,036,524		1,532,096,435	1,472,979,606
3,401,347			3,288,340			6,689,687	4,979,334
					158,121,316	158,121,316	172,626,190
					131,307,710	131,307,710	103,010,389
					123,379,637	123,379,637	149,782,576
					40,461,012	40,461,012	39,196,182
$1,010,091,591	$ 15,954,891	$ 4,337,816,069	$1,024,808,270	$ 717,036,524	$ 453,269,675	$8,757,247,121	$ 7,619,015,397
$ 1,612,237	$ 1,327,039	$ 2,557,754	$ 13,659,208	$	$	$ 93,859,671	$ 88,126,321
27,859,448	821,791	39,347,317	17,674,219			200,536,931	211,146,273
						70,000,000	56,000,000
835,396		1,349,670				70,743,730	92,357,869
294,989	225,263	76,548,306	14,727,468			116,168,358	108,137,314
		113,617,913	2,560,326			116,178,239	115,536,945
		662,508,008				662,508,008	348,125,534
4,603,164		136,321	10,145,415			125,040,698	109,753,277
94,018						94,018	99,446
1,076,500						1,076,500	1,298,658
119,613						3,083,289	2,800,000
21,687,000			11,969,000		204,704,000	238,360,000	252,593,000
					208,104,663	208,104,663	209,071,155
808,856,541			31,400,702			840,257,243	598,384,790
267,971	2,511,828	5,793	9,378,809		40,461,012	52,625,413	50,685,416
867,306,877	4,885,921	896,071,082	111,515,147		453,269,675	2,798,636,761	2,244,115,998
50,033,369						50,033,369	50,078,474
			624,711,313	717,036,524		1,341,747,837	1,377,729,593
938,723						938,723	1,961,529
91,812,622	11,068,970					102,881,592	85,156,785
						10,335,605	16,641,684
						29,691,495	29,167,793
		2,963,676				88,167,667	82,606,717
		3,001,720,259				3,001,720,259	2,591,760,282
		435,465,514	89,450,562			524,916,076	548,030,939
						89,251,316	100,300,431
						131,083,397	117,247,126
						21,376,075	22,232,214
						108,373,375	108,228,904
		1,595,538	199,131,248			458,093,574	243,756,928
142,784,714	11,068,970	3,441,744,987	913,293,123	717,036,524		5,958,610,360	5,374,899,399
$1,010,091,591	$ 15,954,891	$ 4,337,816,069	$1,024,808,270	$ 717,036,524	$ 453,269,675	$8,757,247,121	$ 7,619,015,397

All Governmental Fund Types and Expendable Trust Funds

Combined Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances
For the Year Ended June 30, 1987

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Revenues:				
Taxes	$ 1,936,139,231	$ 175,000	$	$
Licenses, fees and permits	37,173,968	28,249,754		3,440,390
Employer premiums				
Federal government	1,134,941,451	222,716,658		
Interest	28,981,932	3,281,401	8,380,406	
Departmental services	146,416,756	2,637,837		
Rentals	4,249,733	890,015	259,845	
Payments in lieu of taxes			11,285,411	
Court assessments		12,320,796		
Other	22,860,212	2,112,303	123	17,726
Total Revenues	3,310,763,283	272,383,764	19,925,785	3,458,116
Expenditures:				
Current:				
General government	467,728,304	95,635,162		
Education	989,852,829	298,034		
Health and social services	1,015,369,320	76,123,193		
Law, justice and public safety	115,498,022	13,423,669		
Recreation and resources development	52,888,854	18,298,029		
Regulation of business and professions		11,691,234		
Transportation	336,817,295	9,069,464		
Debt service:				
Principal	9,679,680	314,091	34,400,000	
Interest and other fiscal charges	2,110,753	169,893	24,181,339	
Capital outlay				23,912,713
Total Expenditures	2,989,945,057	225,022,769	58,581,339	23,912,713
Excess of Revenues over (under) Expenditures	320,818,226	47,360,995	(38,655,554)	(20,454,597)
Other Financing Sources (Uses):				
Proceeds from general obligation bond and note issues	23,869,000			2,485,000
Proceeds of capital leases	3,250,240			
Payments to refunded bond escrow agent				
Reduction in carrying value of investment securities in connection with bond refunding				
Operating transfers in	79,645,609	69,357,365	60,152,466	29,687,708
Operating transfers out	(348,200,107)	(96,312,122)	(36,201,218)	(12,574,250)
Net Other Financing Sources (Uses)	(241,435,258)	(26,954,757)	23,951,248	19,598,458
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	79,382,968	20,406,238	(14,704,306)	(856,139)
Fund Balances July 1, as Restated	384,204,334	68,763,930	172,626,190	22,232,214
Residual Equity Transfer	1,916,992	(1,866,992)		
Increase (Decrease) in Reserve for Inventories	424,969	151,644		
Fund Balances June 30	$ 465,929,263	$ 87,454,820	$ 157,921,884	$ 21,376,075

The accompanying notes to the financial statements are an integral part of this statement.

Fiduciary Fund Type	Totals (Memorandum Only) for the Year Ended	
Expendable Trust	June 30, 1987	June 30, 1986
$ 68,376,272	$2,004,690,503	$2,029,419,531
	68,864,112	63,921,086
54,305,819	54,305,819	55,406,628
3,410,931	1,361,069,040	1,284,233,079
35,599,982	76,243,721	83,510,423
	149,054,593	144,081,738
	5,399,593	4,339,012
	11,285,411	11,249,406
	12,320,796	28,378,643
265,307	25,255,671	39,066,266
161,958,311	3,768,489,259	3,743,605,812
51,574,709	614,938,175	568,680,826
	990,150,863	926,116,360
112,038,048	1,203,530,561	1,134,247,187
	128,921,691	131,847,247
	71,186,883	71,823,984
	11,691,234	11,991,342
	345,886,759	403,514,955
	44,393,771	48,596,556
	26,461,985	35,132,721
	23,912,713	24,821,686
163,612,757	3,461,074,635	3,356,772,864
(1,654,446)	307,414,624	386,832,948
	26,354,000	198,626,254
	3,250,240	
		(313,279,323)
		(31,969,458)
	238,843,148	190,332,036
(159,982)	(493,447,679)	(475,167,336)
(159,982)	(225,000,291)	(431,457,827)
(1,814,428)	82,414,333	(44,624,879)
422,755,933	1,070,582,601	1,116,721,673
	50,000	
	576,613	(1,514,193)
$ 420,941,505	$1,153,623,547	$1,070,582,601

All Budgetary Funds

Combined Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP Basis)
For the Year Ended June 30, 1987

	General Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Sales tax	$ 686,700,000	$ 670,218,934	$ (16,481,066)
Individual income tax	267,000,000	303,014,865	36,014,865
Corporate income and franchise taxes	143,500,000	173,355,237	29,855,237
Use and wholesale compensating taxes	95,000,000	90,246,318	(4,753,682)
Tobacco, beer and wine taxes	68,600,000	73,297,112	4,697,112
Insurance tax	56,560,000	68,581,550	12,021,550
Oil and gas severance taxes	38,500,000	34,041,341	(4,458,659)
Alcoholic Beverages Control excise and privilege tax and net profit on sale of alcoholic beverages	32,900,000	34,317,626	1,417,626
Inheritance tax	10,000,000	10,420,826	420,826
Other taxes	14,400,000	14,934,044	534,044
Interest income	21,000,000	20,862,200	(137,800)
Auto privilege, tag and title fees	10,260,000	10,418,133	158,133
Highway Safety Patrol fees	9,750,000	12,014,300	2,264,300
Other fees and services	5,480,000	7,793,499	2,313,499
Miscellaneous	4,450,000	2,827,796	(1,622,204)
Special Fund revenues			
Total Revenues	1,464,100,000	1,526,343,781	62,243,781
Expenditures by Major Budgetary Function:			
Legislative	10,796,211	9,688,895	1,107,316
Judicial and justice	16,652,108	16,382,149	269,959
Executive and administrative	9,901,615	9,401,582	500,033
Fiscal affairs	32,458,412	32,336,149	122,263
Public education	713,548,113	708,686,738	4,861,375
Higher education	246,966,387	246,902,477	63,910
Public health	106,813,960	104,629,734	2,184,226
Hospitals and hospital schools	63,667,795	63,276,874	390,921
Agriculture, commerce and economic development	54,874,961	54,647,418	227,543
Conservation and recreation	24,789,399	24,778,589	10,810
Insurance and banking	2,359,597	2,286,494	73,103
Corrections	58,726,058	57,395,834	1,330,224
Interdepartmental service	1,045,161	983,354	61,807
Social welfare	35,856,480	35,871,053	(14,573)
Public protection and veterans assistance	42,626,645	37,779,121	4,847,524
Local assistance	64,900,000	62,893,767	2,006,233
Motor vehicle and other regulatory agencies	1,444,778	1,443,923	855
Miscellaneous	1,911,986	1,699,403	212,583
Public works	173,822	158,227	15,595
Debt service	9,064,575	9,044,895	19,680
Total Expenditures	1,498,578,063	1,480,286,676	18,291,387
Excess of Revenues over (under) Expenditures	(34,478,063)	46,057,105	80,535,168
Other Financing Sources (Uses):			
Operating transfers in (out)	26,500,000	27,606,827	1,106,827
Excess of Revenues over (under) Expenditures and Other Financing Sources (Uses)	(7,978,063)	73,663,932	81,641,995
Budgetary Fund Balances July 1, 1986	18,289,240	51,790,808	33,501,568
Reclassification Between Budgetary/Nonbudgetary Funds - Net			
Difference in 1986 reported fund balance and 1987 estimated fund balance	4,551,096		(4,551,096)
Budgetary Fund Balance, July 1, 1986, as Reclassified	22,840,336	51,790,808	28,950,472
Budgetary Fund Balances June 30, 1987	$ 14,862,273	$ 125,454,740	$ 110,592,467

The accompanying notes to the financial statements are an integral part of this statement.

Special Fund			Totals (Memorandum Only)		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
$	$	$	$ 686,700,000	$ 670,218,934	$ (16,481,066)
			267,000,000	303,014,865	36,014,865
			143,500,000	173,355,237	29,855,237
			95,000,000	90,246,318	(4,753,682)
			68,600,000	73,297,112	4,697,112
			56,560,000	68,581,550	12,021,550
			38,500,000	34,041,341	(4,458,659)
			32,900,000	34,317,626	1,417,626
			10,000,000	10,420,826	420,826
			14,400,000	14,934,044	534,044
			21,000,000	20,862,200	(137,800)
			10,260,000	10,418,133	158,133
			9,750,000	12,014,300	2,264,300
			5,480,000	7,793,499	2,313,499
			4,450,000	2,827,796	(1,622,204)
1,894,706,805	1,563,323,085	(331,383,720)	1,894,706,805	1,563,323,085	(331,383,720)
1,894,706,805	1,563,323,085	(331,383,720)	3,358,806,805	3,089,666,866	(269,139,939)
			10,796,211	9,688,895	1,107,316
1,367,045	934,049	432,996	18,019,153	17,316,198	702,955
169,241,535	144,441,219	24,800,316	179,143,150	153,842,801	25,300,349
72,227,156	65,997,876	6,229,280	104,685,568	98,334,025	6,351,543
239,394,625	217,501,531	21,893,094	952,942,738	926,188,269	26,754,469
2,009,958	1,160,595	849,363	248,976,345	248,063,072	913,273
439,757,892	399,374,017	40,383,875	546,571,852	504,003,751	42,568,101
74,889,164	61,412,214	13,476,950	138,556,959	124,689,088	13,867,871
8,347,350	6,190,232	2,157,118	63,222,311	60,837,650	2,384,661
39,234,538	34,419,772	4,814,766	64,023,937	59,198,361	4,825,576
9,046,432	7,876,696	1,169,736	11,406,029	10,163,190	1,242,839
7,699,996	6,179,672	1,520,324	66,426,054	63,575,506	2,850,548
19,206,875	6,750,376	12,456,499	20,252,036	7,733,730	12,518,306
184,999,903	157,136,434	27,863,469	220,856,383	193,007,487	27,848,896
65,022,917	25,402,606	39,620,311	107,649,562	63,181,727	44,467,835
3,387,366	3,387,306	60	68,287,366	66,281,073	2,006,293
32,429,448	15,796,138	16,633,310	33,874,226	17,240,061	16,634,165
1,596,968	1,334,045	262,923	3,508,954	3,033,448	475,506
498,347,637	350,831,824	147,515,813	498,521,459	350,990,051	147,531,408
			9,064,575	9,044,895	19,680
1,868,206,805	1,506,126,602	362,080,203	3,366,784,868	2,986,413,278	380,371,590
26,500,000	57,196,483	30,696,483	(7,978,063)	103,253,588	111,231,651
(26,500,000)	(27,606,827)	(1,106,827)			
0	29,589,656	29,589,656	(7,978,063)	103,253,588	111,231,651
	136,862,599	136,862,599	18,289,240	188,653,407	170,364,167
	(17,047,588)	(17,047,588)		(17,047,588)	(17,047,588)
			4,551,096		(4,551,096)
	119,815,011	119,815,011	22,840,336	171,605,819	148,765,483
$ 0	$ 149,404,667	$ 149,404,667	$ 14,862,273	$ 274,859,407	$ 259,997,134

All Proprietary Fund Types and Similar Trust Funds

Combined Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balances For the Year Ended June 30, 1987

	Proprietary Fund Types		Fiduciary Fund Types		Totals (Memorandum Only) for the Year Ended	
	Enterprise	Internal Service	Non-expendable Trust	Pension Trust	June 30, 1987	June 30, 1986
Operating Revenues:						
Charges for sales and services	$ 28,702,641	$ 13,627,148	$	$	$ 42,329,789	$ 41,659,623
Contributions				282,031,591	282,031,591	276,597,323
Interest and other investment income	81,929,983		968,614	330,488,979	413,387,576	408,306,575
Income from securities lending transactions				17,816,960	17,816,960	17,316,283
Rentals	308,243				308,243	290,609
Fee income	4,037,093				4,037,093	4,612,846
Other	879,721	78	536,151	1,355,819	2,771,769	6,688,456
Total Operating Revenues	115,857,681	13,627,226	1,504,765	631,693,349	762,683,021	755,471,715
Operating Expenses:						
Costs of sales and services	14,262,839				14,262,839	18,573,061
Benefits				164,083,383	164,083,383	132,249,153
Refunds				33,612,614	33,612,614	29,428,501
Rebates on securities lending transactions				15,983,738	15,983,738	15,581,455
Administrative expenses	18,187,361	10,067,196	12	7,873,529	36,128,098	29,400,283
Interest	74,282,478	151,762			74,434,240	57,359,107
Depreciation and amortization	2,017,810	1,657,448		198,150	3,873,408	3,501,412
Other	1,150,978	127,103	1,800	7,296	1,287,177	1,969,840
Total Operating Expenses	109,901,466	12,003,509	1,812	221,758,710	343,665,497	288,062,812
Operating Income	5,956,215	1,623,717	1,502,953	409,934,639	419,017,524	467,408,903
Nonoperating Revenues	671,898				671,898	749,780
Nonoperating Expenses	37,385	20,900			58,285	2,009,230
Income Before Operating Transfers	6,590,728	1,602,817	1,502,953	409,934,639	419,631,137	466,149,453
Operating Transfers In	9,192,332	566,327	165,817	8,449,339	18,373,815	13,824,436
Operating Transfers Out	(912,249)	(2,940)	(973,709)	(8,424,001)	(10,312,899)	(9,710,602)
Net Income	14,870,811	2,166,204	695,061	409,959,977	427,692,053	470,263,287
Retained Earnings/Fund Balances July 1, as Restated	78,215,548	8,902,766	18,388,162	2,591,760,282	2,697,266,758	2,227,003,471
Residual Equity Transfers	(335,014)				(335,014)	
Retained Earnings/Fund Balances June 30	$ 92,751,345	$ 11,068,970	$ 19,083,223	$ 3,001,720,259	$ 3,124,623,797	$ 2,697,266,758

The accompanying notes to the financial statements are an integral part of this statement.

All Proprietary Fund Types and Similar Trust Funds

Combined Statement of Changes in Financial Position
For the Year Ended June 30, 1987

	Proprietary Fund Types		Fiduciary Fund Types		Totals (Memorandum Only) for the Year Ended	
	Enterprise	Internal Service	Non-expendable Trust	Pension Trust	June 30, 1987	June 30, 1986
Sources of Working Capital:						
Operations:						
Net income	$ 14,870,811	$ 2,166,204	$ 695,061	$ 409,959,977	$ 427,692,053	$ 470,263,287
Items not requiring working capital:						
Depreciation and amortization	8,357,067	1,657,448		198,150	10,212,665	3,501,412
Other	127,389	6,534			133,923	3,207,694
Working Capital Provided by Operations	23,355,267	3,830,186	695,061	410,158,127	438,038,641	476,972,393
Proceeds from loan receipts						90,285
Proceeds from sale of bonds	266,356,000				266,356,000	197,350,000
Proceeds from capital leases	63,060	1,141,708			1,204,768	827,716
Proceeds from sale of assets	153,810	20,900		10,794	185,504	85,377
Repayment of loans receivable	39,454,524				39,454,524	17,144,689
Net decrease in restricted assets	1,022,806	2,170,149			3,192,955	
Total Sources of Working Capital	330,405,467	7,162,943	695,061	410,168,921	748,432,392	692,470,460
Uses of Working Capital:						
Acquisition of property, plant and equipment	115,491,832	2,001,559		261,996	117,755,387	64,066,057
Decrease in long-term loans and other debt		1,807,410			1,807,410	2,287,030
Current installment and repayment of long term debt	45,898,557				45,898,557	13,356,283
Issuance of new loans, net of change in current portion	122,431,298				122,431,298	153,829,047
Net increase in restricted assets						2,554,498
Bond issuance cost	1,212,813				1,212,813	
Residual equity transfer	99,303				99,303	
Other	84,622				84,622	1,193,880
Total Uses of Working Capital	285,218,425	3,808,969		261,996	289,289,390	237,286,795
Net Increase in Working Capital	$ 45,187,042	$ 3,353,974	$ 695,061	$ 409,906,925	$ 459,143,002	$ 455,183,665
Elements of Net Increase (Decrease) in Working Capital:						
Cash and cash equivalents	$ 57,181,066	$ 1,096,446	$ 195,627	$ 85,164,263	$ 143,637,402	$ (150,966,879)
Investments				284,281,639	284,281,639	552,237,044
Collateral held under reverse repurchase agreements				314,382,474	314,382,474	348,125,534
Receivables	6,041,521	138,525	(48,414)	29,598,957	35,730,589	(4,783,699)
Interfund receivables	176,439	135,307	3,203	7,557,671	7,872,620	10,053,074
Inventories	(101,412)				(101,412)	(64,155)
Prepaid expenses	6,139	(15,223)			(9,084)	104,866
Other assets	737,103				737,103	190,663
Warrants payable	(1,160,211)	(824,724)		211,696	(1,773,239)	(1,166,037)
Accounts payable and accruals	(2,056,130)	672,201		6,268,358	4,884,429	25,056,729
Due to other governments	(435,396)				(435,396)	(400,000)
Interfund payables	(24,694)	2,272,656	544,045	(3,175,659)	(383,652)	27,560,132
Obligations under reverse repurchase agreements				(314,382,474)	(314,382,474)	(348,125,534)
Loans and notes payable - current portion	25,080				25,080	121,333
Current portion of long-term debt	(13,339,512)	(121,214)			(13,460,726)	(2,425,000)
Deferred revenues	(2,002,524)				(2,002,524)	(763,795)
Amounts held in custody for others			600		600	12
Other liabilities	139,573				139,573	429,377
Net Increase in Working Capital	$ 45,187,042	$ 3,353,974	$ 695,061	$ 409,906,925	$ 459,143,002	$ 455,183,665

The accompanying notes to the financial statements are an integral part of this statement.

University Funds

Combined Statement of Revenues, Expenditures, Interfund Transfers, Operating Transfers, and Changes in Fund Balances
For the Year Ended June 30, 1987

	Current Funds		Fiduciary Funds	
	Unrestricted	Restricted	Loan	Endowment and Similar
Revenues and Other Additions:				
Tuition and fees	$ 90,335,048	$ 14,160	$	$
Federal appropriations, grants and contracts	15,935,185	70,729,927	1,629,023	125,000
State grants and contracts	576,490	8,716,974		
Local appropriations, grants and contracts	2,793,175	841,865	3,257	
Private gifts, grants and contracts	4,224,629	15,401,949	432,473	1,413,115
Endowment income	73,566	969,889		51,387
Investment income	3,370,606	35,436	726,933	151,701
Interest on loans receivable			1,095,803	
Proceeds from bonds and notes				
Additions to plant facilities				
Retirement of indebtedness				
Sales and services of educational activities	15,084,696	207,344		
Sales and services of auxiliary activities	75,084,567			
Sales and services of hospital	63,699,055			
Independent operations				
Other	10,822,153	50,022	498,950	572,350
Total Revenues and Other Additions	281,999,170	96,967,566	4,386,439	2,313,553
Expenditures and Other Deductions:				
Educational and general:				
Instruction	155,036,856	8,683,328		
Research	37,384,848	31,402,872		
Public service	25,899,661	9,087,116		
Academic support	31,050,052	2,642,452		
Student services	16,431,294	1,342,405		
Institutional support	37,350,964	4,198,103		
Operation and maintenance of plant	37,314,725	806,689		
Scholarships and fellowships	11,171,939	36,033,578	216,900	
Auxiliary enterprises	75,263,073	626,924		
Hospital	62,194,627			
Independent operations	1,067,627			
Administrative and indirect costs recovered		4,873,473	59,821	
Refunds to grantors	31,036	89,199	86,779	
Loan cancellations and write-offs			2,525,632	
Collection costs			706,165	
Expended for plant facilities				
Repairs and maintenance				
Plant assets sold or retired				
Long-term debt incurred				
Retirement of indebtedness				
Interest on indebtedness				
Change in provision for uncollectible accounts	194,581			
Other	5,174			35,316
Total Expenditures and Other Deductions	490,396,457	99,786,139	3,595,297	35,316
University Funds Interfund Transfers In (Out):				
Mandatory:				
Principal and interest	(6,727,979)	(36,025)		
Restricted fund matching	(2,835,517)	2,898,151		
Loan fund matching	(183,284)		183,284	
Renewals and replacements	(1,275,597)			
Nonmandatory:				
Building projects	(8,643,611)	(636,294)	32,868	
Other	(1,312,421)	(325,334)	(18,912)	12,087
Total University Funds Interfund Transfers In (Out)	(20,978,409)	1,900,498	197,240	12,087
Operating Transfers In:				
General Fund	239,037,817		215,056	
Capital projects funds				
Total Operating Transfers In	239,037,817		215,056	
Net Increase (Decrease) in Fund Balances	9,662,121	(918,075)	1,203,438	2,290,324
Fund Balances, July 1	73,869,655	13,054,185	51,621,254	11,493,978
Fund Balances, June 30	$ 83,531,776	$ 12,136,110	$ 52,824,692	$ 13,784,302

The accompanying notes to the financial statements are an integral part of this statement.

Plant Funds				Totals (Memorandum Only) for the Year Ended	
Unexpended	Renewals and Replacements	Retirement of Indebtedness	Investment in Plant	June 30, 1987	June 30, 1986
$ 132,867	$	$ 407,804	$	$ 90,889,879	$ 78,757,685
612,078		87,192		89,118,405	89,103,204
				9,293,464	6,958,349
142,392		135,000		3,915,689	3,953,841
412,589		546,960		22,431,715	21,701,772
3,620				1,098,462	670,226
392,259	503,823	426,388		5,607,146	3,335,680
				1,095,803	923,759
		2,117,096		2,117,096	2,000,000
			42,441,531	42,441,531	49,298,689
			7,411,198	7,411,198	10,055,599
6,429				15,298,469	15,642,643
				75,084,567	75,318,026
				63,699,055	61,536,278
					306,166
227,295	180,180	117,284		12,468,234	14,085,619
1,929,529	684,003	3,837,724	49,852,729	441,970,713	433,647,536
				163,720,184	169,399,405
				68,787,720	71,996,036
				34,986,777	40,425,510
				33,692,504	36,942,114
				17,773,699	18,862,686
				41,549,067	41,357,456
				38,121,414	39,756,910
				47,422,417	46,173,228
				75,889,997	70,447,647
				62,194,627	59,371,516
				1,067,627	1,097,096
				4,933,294	3,557,309
				207,014	5,708,713
				2,525,632	999,231
				706,165	561,307
16,438,619	12,208			16,450,827	19,817,484
1,867,892	89,519			1,957,411	1,555,772
			20,518,119	20,518,119	22,207,781
			7,964,393	7,964,393	5,254,224
		7,411,198		7,411,198	8,445,490
		2,925,543		2,925,543	2,892,403
				194,581	353,083
	28,764	89,994		159,248	90,009
18,306,511	130,491	10,426,735	28,482,512	651,159,458	667,272,410
(142,886)	25,000	6,881,890			
(62,634)					
(100,000)	1,137,173	238,424			
9,842,375	(595,338)				
528,703	1,072,502	43,375			
10,065,558	1,639,337	7,163,689			
				239,252,873	272,670,550
7,290,742				7,290,742	8,050,916
7,290,742				246,543,615	280,721,466
979,318	2,192,849	574,678	21,370,217	37,354,870	47,096,592
14,037,620	9,459,839	5,705,442	696,696,280	875,938,253	828,841,661
$ 15,016,938	$ 11,652,688	$ 6,280,120	$ 718,066,497	$ 913,293,123	$ 875,938,253

June 30, 1987

Note 1—Significant Accounting Policies

A. **Basis of Presentation** - The accompanying financial statements of the State of Mississippi have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The financial statements of the university funds have been prepared in conformity with generally accepted accounting principles as prescribed by the National Association of College and University Business Officers (NACUBO).

B. **Financial Reporting Entity** - For financial reporting purposes, in conformance with generally accepted accounting principles, the State of Mississippi includes all fund types and account groups of the various commissions, departments, boards, and elected officials of the State, as well as universities and other organizational units (hereinafter referred to collectively as "agencies") over which the State's legislative and/or executive branches exercise oversight responsibility. Oversight responsibility is defined to include: selection of governing authority, designation of management, ability to significantly influence operations, accountability for fiscal matters, scope of public service, and/or special financing relationships.

Based on the application of the above criteria, the following organizations have been determined to be component units of the State reporting entity and are included in the accompanying financial statements:

- Allied Enterprises
- Certified Development Corporation
- County health departments
- County welfare departments
- Mississippi Guaranteed Student Loan Agency
- Mississippi Hospital Equipment Financing Authority
- Mississippi Housing Finance Corporation
- Mississippi Industries for the Blind
- Port Authority at Gulfport
- Public Employees' Retirement System
- University Press
- Yellow Creek Inland Port Authority

The Mississippi Housing Finance Corporation fiscal year ends on August 31. Since the financial statements of that component unit as of and for the year ended August 31, 1987 were not available when this report was prepared, August 31, 1986 financial statements have been combined into the accompanying June 30, 1987 financial statements.

The following organizations have been determined not to be part of the reporting entity based on consideration of the manifestations of oversight, scope of public service, or special financing relationships criteria and are therefore excluded from the accompanying financial statements because the State does not control or significantly influence the assets, operations or management of the respective entities:

- Coast Coliseum
- Drainage districts
- Levee boards
- Locally controlled two-year junior colleges
- Locally controlled vocational-technical schools
- Municipal and county ports and harbors
- Municipalities and counties
- Planning and development districts
- Regional airports
- Regional libraries
- Regional mental health centers
- School districts
- Soil and water conservation districts
- Waterway districts

C. **Fund Accounting** - The financial activities of the State are recorded in individual funds and account groups classified in the accompanying financial statements by fund type. The fund types are categorized according to governmental funds, proprietary funds, fiduciary funds, and university funds. Account groups are presented for general fixed assets and general long-term obligations. Each individual fund and account group is a separate accounting entity segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

GOVERNMENTAL FUND TYPES

General - Transactions related to resources obtained and used for those services traditionally provided by a state government, which are not required to be accounted for in other funds, are accounted for in the General Fund. These services include, among others, general government, education (other than institutions of higher learning), public safety, health and social services, and transportation. Certain resources obtained from federal grants and used to support general governmental activities are accounted for in the General Fund consistent with applicable legal requirements.

Special Revenue - Transactions related to resources obtained from specific revenue sources (other than for expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes are accounted for in special revenue funds. Special revenue funds account for, among others, certain federal grant programs, taxes levied with statutorily defined distributions, and other resources restricted as to purpose.

Debt Service - Transactions related to resources obtained and accumulated to pay interest and principal on general long-term obligations (other than capital leases and compensated absences) are generally accounted for in debt service funds.

Capital Projects - Transactions related to resources obtained and used for the acquisition, construction or improvement of major capital facilities are accounted for in capital projects funds. Such resources are derived principally from proceeds of general obligation bond issues, federal grants and operating transfers from the General Fund.

PROPRIETARY FUND TYPES

Enterprise - Enterprise funds account for operations where the intent of the State is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where periodic measurement of the results of operations is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Internal Service - Internal service funds account for the operations of State agencies which render services and provide goods to other State agencies or governmental units on a cost-reimbursement basis.

FIDUCIARY FUND TYPES

Trust

Expendable - Expendable trust funds account for assets held by the State in a trustee capacity where the principal and income may be expended in the course of designated operations.

Nonexpendable - Nonexpendable trust funds account for assets held by the State in a trustee capacity where only income derived from the principal may be expended in the course of designated operations. Principal must be preserved intact.

Pension - Pension trust funds account for transactions, assets, liabilities and net assets available for plan benefits of the State's public employee retirement systems.

Agency

Agency funds account for various taxes, deposits, and property collected by the State, acting in the capacity of an agent, for distribution to other governmental units or designated beneficiaries.

UNIVERSITY FUNDS

University funds account for the operations of State universities in accordance with existing authoritative accounting and reporting principles applicable to universities. Accordingly, the university funds are an aggregation of the following funds:

Current - Current funds account for resources that will be expended in the near term for operating purposes. These include unrestricted funds over which the governing boards retain full control in achieving the institutions' purposes and restricted funds which may be utilized only for purposes designated by a donor or other external organization.

Fiduciary - Fiduciary funds account for assets held by loan and endowment funds over which the universities act in a fiduciary capacity.

Plant - Plant funds account for resources available for acquisition, renewal and replacement of institutional properties and to service debt incurred to acquire such properties.

ACCOUNT GROUPS

General Fixed Assets - The general fixed assets account group accounts for all fixed assets acquired or constructed for use by the State, other than those accounted for in the proprietary, fiduciary, and university funds.

General Long-Term Obligations - The general long-term obligations account group accounts for general obligation bonds, limited obligation bonds, compensated absences, and other long-term obligations not recorded in proprietary, fiduciary, and university funds.

D. **Basis of Accounting/Measurement Focus**

Governmental Fund Types and Expendable Trust and Agency Funds - The accounts of the General, special revenue, debt service, capital projects, expendable trust and agency funds are reported using the modified accrual basis of accounting and a funds flow measurement focus. Under the modified accrual basis of accounting, revenues are recognized when measurable and available to finance operations of the fiscal year. Available means collected in the current year or soon enough after year end to liquidate liabilities existing at the end of the year. Significant revenue sources which are susceptible to accrual include sales taxes, individual income taxes, corporate income taxes and federal grants. Licenses, fees, permits and other miscellaneous revenues are recognized when received since they normally are only measurable at that time. Expenditures and related fund liabilities are recognized upon receipt of goods and services.

Modifications to the accrual basis of accounting include: interest expense on long-term obligations reflected in the general long-term obligations account group is recognized in the debt service funds when it becomes due; inventories of materials and supplies are recorded as expenditures at acquisition; obligations for employee personal leave and major medical leave are recorded as expenditures when paid.

Proprietary Fund Types and Nonexpendable and Pension Trust Funds - The accounts of the enterprise, internal service, nonexpendable trust and pension trust funds are reported using the accrual basis of accounting and a spending measurement focus. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when incurred.

University Fund Type - The accounts of the university funds are reported using the accrual basis of accounting with the following exceptions: depreciation expense related to plant fund assets is not recorded; revenues and expenditures of an academic term encompassing more than one fiscal year are solely reported in the fiscal year in which the program is predominantly conducted.

E. **Budgetary Accounting** - The State's annual budget is prepared principally on the cash basis utilizing encumbrance accounting. Encumbrances, represented by executed but unperformed purchase orders, are recorded as expenditures for budgetary purposes if presented for payment in the 60-day lapse period and as reservations of fund balance for GAAP purposes. Since the budgetary basis differs from generally accepted accounting principles, budget and actual amounts in the accompanying Combined Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP Basis) - All Budgetary Funds are presented on the budgetary basis. A reconciliation of the excess of revenues over (under) expenditures and other financing sources (uses) on a budgetary basis at June 30, 1987 to the excess of revenues over (under) expenditures and other financing sources (uses) presented in conformity with generally accepted accounting principles is set forth in Note 2.

Unexpended appropriations are available for subsequent expenditure only to the extent that encumbrances have been incurred at June 30, provided they are presented for payment during the succeeding 60-day lapse period. Lapse period expenditures are reported as expenditures in the current year budgetary presentation. At the end of the 60-day lapse period, unexpended appropriations are available for reappropriation.

F. **Cash and Cash Equivalents** - Cash and cash equivalents include bank accounts, petty cash, and short-term investments such as certificates of deposit, and repurchase agreements. These investments are stated at cost which at June 30, 1987 approximated market. Collateral, as further discussed in Note 4, is pledged by the various banks and securities dealers to guarantee State funds .

G. **Investments** - Investments are generally recorded at cost [see Notes 4 and 17(2)]. Investments of the Government Employees' Deferred Compensation Plan Fund (an agency fund) are stated at market except for life insurance contracts which are stated at cash surrender value.

H. **Reverse Repurchase Agreements** - The Mississippi Public Employees' Retirement System is authorized to enter into reverse repurchase agreements, that is, a sale of securities with a simultaneous agreement to repurchase them in the future at the same price plus a contract rate of interest. The assets and liabilities arising from reverse repurchase agreements are not netted on the Combined Balance Sheet. They are reflected separately under the captions Collateral under Reverse Repurchase Agreements and Obligations under Reverse Repurchase Agreements (see Note 4).

I. **Receivables** - Receivables in the governmental and fiduciary funds primarily consist of interest and federal revenues, both recorded when earned, and taxes that are susceptible to accrual - mainly sales and income taxes. Receivables in the proprietary funds occur in the ordinary course of business. Receivables are reported net of allowances for uncollectible accounts where applicable.

J. **Interfund Transactions** - The State has the following types of interfund transactions:

- **Quasi-external Transactions** - Charges for services rendered by one fund to another that are treated as revenues of the recipient fund and expenditures or expense of the disbursing fund.

- **Reimbursements** - Reimbursements of expenditures made by one fund for another are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

- **Residual Equity Transfers** - Nonroutine or nonrecurring transfers between funds are reported as additions to or deductions from fund equity.

- **Operating Transfers** - Legally authorized transfers other than residual equity transfers are reported as operating transfers. Operating transfers from the General Fund are transfers of appropriated or diverted tax revenues.

The composition of the State's interfund receivables and payables is presented in Note 6.

K. **Inventories** - Inventories of supplies and materials are principally stated at the lower of cost or market, generally using the first-in, first-out method. Cost of inventories held for use in constructing highways is determined by weighted average methods. Inventories of food stamps are recorded at their face value, with a corresponding deferred revenue. Since the food stamp inventory has not been distributed to the recipients, the revenue recognition criteria has not been met.

L. **Property, Plant and Equipment**

General Fixed Assets - General fixed assets are stated at cost, or for donated assets, at market value at the time of donation. Lands deeded to the State at its formation (1,117,838 acres) are recorded at $1 per acre. Certain public domain (infrastructure) general fixed assets, principally highways, bridges and rights-of-way, are not capitalized. Depreciation is not provided on general fixed assets.

Proprietary and Fiduciary Fund Types - Property, plant and equipment are stated at cost or, for donated assets, at fair market value at the time of donation. Generally, property, plant and equipment, excluding land, are depreciated on the straight line method over the estimated service lives of the respective assets ranging from 20 to 50 years for buildings and improvements and 3 to 10 years for machinery and equipment.

University Funds - Property, plant and equipment are stated at cost or, for donated assets, at market value at the time of donation. Generally, public domain (infrastructure) assets such as streets, sidewalks, lighting systems and curbs are capitalized. Consistent with generally accepted accounting principles for universities, plant assets are not depreciated.

M. **Accumulated Unpaid Personal Leave and Major Medical Leave**

Mississippi State law authorizes payment for a maximum of 30 days accrued personal leave in a lump sum upon termination of employment. No payment is authorized for accrued major medical leave unless the employee presents medical evidence that their physical condition is such that they can no longer work in a capacity of State government. The State's liability for governmental fund type liability for accumulated unpaid personal leave, up to the maximum of 30 days per employee, is reported in the accompanying general long-term obligations account group. The obligation is reported as a liability in the respective funds for the proprietary and similar trust fund types. In the governmental funds, only the amounts that normally would be liquidated with expendable available financial resources are accrued as current-year expenditures. The State uses the last-in, first-out method of recognizing the use of compensated absences. The reported liability for accumulated unpaid personal leave applicable to all fund types includes the related fringe benefits that the State as employer is required to pay when the accrued compensated absences are liquidated.

Accumulated unpaid major medical leave is not accrued because it is not probable that the compensation will be paid in a lump sum other than in the event of severe illness.

N. **Fund Equity Reservations/Designations**

Reserved Fund Balance /Retained Earnings - Reserved fund balance/retained earnings indicates that a portion of the fund equity balance is not available for appropriation or expenditure or is legally segregated for specific future use. Total reserved fund balances/retained earnings were as follows at June 30, 1987 (amounts expressed in thousands):

Reserved For	General Fund	Special Revenue Funds	Debt Service Funds	Trust and Agency Funds	Enterprise Funds	University Funds
Bond Retirement	$	$	$	$	$ 939	$
Encumbrances	8,693	1,642				
Inventories	28,844	848				
Pension Benefits				3,001,720		
Long-term Portion of Loans and Notes Receivable	12,147	4,187	68,870	2,964		
Other				435,466		89,451
	$ 49,684	$ 6,677	$ 68,870	$3,440,150	$ 939	$ 89,451

Bond Retirement - Represents the portion of fund balance that is required to be used for debt retirement.

Encumbrances - Represents outstanding commitments at year end that will be liquidated in the lapse period.

Inventories - Represents the portion of fund balance which is comprised of inventories which are not available spendable resources. Inventory of food stamps are recorded as deferred revenue since the revenue recognition criteria has not been met.

Pension Benefits - Represents the portion of fund balance that will be used to provide future retirement benefits to members of the State Retirement System.

Other - Consists principally of health and insurance benefits, $14,973,012; unemployment compensation, $402,899,908; educational and vocational training, $17,592,594; and higher education activities and loans to students, $89,450,562.

Long-Term Portion of Receivables, Loans and Notes - The State has made loans and advanced funds under various programs that will be repaid over a number of years. Fund balance has been reserved in an amount equal to the balance of loans and advances receivable to indicate that they are not available resources for appropriation.

Unreserved, Designated Fund Balances - Designations of unreserved fund balances are established to reflect tentative plans for future utilization of current financial resources. Total Governmental Fund Designated Fund Balances (expressed in thousands) were as follows at June 30, 1987.

Designated For	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund
Debt Service	$ 199	$	$ 89,052	$
Capital Projects				21,376
Highway and Road Construction	131,083			
Other Specific Purposes	108,107	266		
	$239,389	$ 266	$ 89,052	$ 21,376

Debt Service - Amounts anticipated to pay future debt service requirement.

Capital Projects and Highway and Road Construction - Amounts anticipated to be utilized for the construction of state facilities, highways and roads.

Designated for other specific purposes - Designated for other specific purposes in special revenue funds are specified to be used for special education purposes. The State's fund balance designations reflect tentative plans for future use of financial resources. Special treasury funds classified as General GAAP Fund are shown in this designation as the funds are not available for appropriation by the State Legislature unless enabling legislation is approved. The fund balances of the general fund reserve, general fund stabilization reserve and working cash balance revolving fund are recorded in designated for other specific purposes.

The General Fund Stabilization Reserve - State law requires that there be maintained a fund, for the sole purpose of accumulating funds to cover any unforeseen deficits in the State general fund. If the State Fiscal Management Board determines, after the close of each fiscal year, that general fund revenues exceeded general fund expenditures determined on the budgetary basis, one-fourth of the excess is transferred into the General Fund Stabilization Reserve. Such transfers shall continue to be made, in succeeding fiscal years when excess revenues occur, until the accumulated total in this reserve equals five percent of general fund revenue for the latest fiscal year. Amounts used to alleviate State general fund deficits must be restored to the reserve out of future annual surpluses until the maximum (five percent) is again attained. In fiscal year 1987 there was not a transfer into the General Fund Stabilization Reserve for fiscal year 1986. The amount that will be transferred in fiscal year 1988 that relates to 1987 is $14,839,665, and the account balance at June 30, 1987 was $5,480,355, which is .36% of 1987 general treasury fund revenue.

The General Fund Reserve - State law requires the transfer of three-fourths of the excess State general fund revenues on a budgetary basis over general fund expenditures of any fiscal year, to be held for use by the State Legislature at its discretion and to provide State funds to pay warrants drawn for payments which are reimbursed by the federal government under the federal plan for a "delay-of-drawdown letter of credit". Such federal reimbursements are deposited into the General Fund Reserve upon receipt. During fiscal year 1987, there was no transfer into the General Fund Reserve for fiscal year 1986. The Legislature authorized the transfer of amounts needed to fully support fiscal year 1987 appropriations from the General Fund Reserve to the State general fund. The amount that will be transferred in fiscal 1988 that relates to 1987 is $44,518,996.

The Working Cash Balance Revolving Fund - State law created this fund to pay State obligations when there is insufficient cash from other general fund sources to pay such obligations as they become due. Sums used for such purposes must be reimbursed from general fund revenues collected during the then current fiscal year. This account, created in July, 1984, was funded by income tax revenues. Interest earned from the investment of amounts not required for current use is to be deposited into the Working Cash Balance Revolving Fund account until the balance in the account equals five percent of total general fund appropriations for the current fiscal year. The intent of the Legislature was for this account to have a balance of $31 million on the last day of any fiscal year unless the Legislature, by an affirmative vote of two-thirds of both Houses, authorizes an expenditure from the account. On June 30, 1987, the balance was $34,213,840 which is 2.26% of 1987 General Fund Appropriations. The balance in the Working Cash Balance Revolving Fund account is not to be considered as available funds in the process of adopting a balanced budget for any fiscal year.

O. **Federal Grants** - Federal grants and assistance awards made on the basis of entitlement periods are recorded as receivables and revenues when entitlement occurs. Federal reimbursement type grants are recorded as revenues when the related expenditures are recognized. Uses of grant resources are conditioned upon compliance with terms of the grant agreements and applicable federal regulations which include subjecting grants to financial and compliance audits.

P. **Total (Memorandum Only) Columns** - "Total (Memorandum Only)" columns represent an aggregation of the combined financial statements of each fund type and account group. They are presented for information only and do not represent consolidated financial information. For comparative purposes, the 1986 fiscal year "Total (Memorandum Only)" columns are printed to the right of the 1987 fiscal year "Total (Memorandum Only)" columns.

NOTE 2—Budgetary Process, Control and Reconciliation to GAAP

Mississippi State law requires both the Governor and the Legislative Budget Office to prepare and submit to the Legislature at the beginning of each annual session an overall balanced budget for budgeted activities and functions in the ensuing fiscal year. The Legislature compares these budgets, makes any revisions it deems necessary or appropriate, and legally enacts an annual State budget through passage of specific departmental appropriation bills by activity or function and major expenditure classification, the sum of which should not exceed estimated amounts available and projected revenues for those activities and functions. The Governor has the power to approve or veto each line item appropriation; however, vetoes are subject to Legislative override.

The State has established two budgetary fund groups to account for its budgetary activities and functions:

General - funds established to receive and distribute general tax revenues and other general revenues and interest generated thereon.

Special - funds established to receive federal grants, fees, proceeds from the sale of goods and services, taxes levied for specific purposes and interest generated thereon, and to support the functional activities of the agencies that generate such revenues.

The budget covers most governmental funds included in the State reporting entity but excludes certain distributive funds, debt service funds, endowment funds, research funds from other than State appropriations, and private gifts to designated agencies or for designated purposes which are not subject to appropriation pursuant to State law. Certain funds recommended by the State Fiscal Management Board as not being subject to appropriation are also excluded. Certain accounts held outside the Treasury are similarly not budgeted. The budget does include certain proprietary funds and certain administrative costs of operating the Public Employees' Retirement System.

The State Fiscal Management Board monitors the agencies' budget compliance through an allotment process. For the general fund, the allotments are established at or below the level of appropriation for each budgetary activity or function. For the special fund, allotments may be established in excess of the original appropriation if revenues from federal funding sources exceed original estimates. To provide sufficient funding for several programs supported by general fund appropriations during the fiscal year, supplemental appropriations of $28,661,657 were approved by the Legislature. Budget allotments were increased to reflect these supplemental appropriations.

In both the general and special funds the appropriations for certain capital expenditures are set at the level necessary to complete the project over several years. The allotments for these funds are set at the level of actual expenditures for the year, with the expectation that the remaining appropriation will be reapportioned for the following year. The final legally adopted budget in the accompanying Combined Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Basis - All Budgetary Funds represents the final allotment for each budgeted fund with the exception that the capital projects, budgeted for several years, are excluded. The performance of the capital projects funds for the year ended June 30, 1987 is summarized below (amounts expressed in thousands):

Capital Project	General Fund	Special Fund
Appropriations	$ 13,086	$ 46,787
Actual Expenditures	$ 9,809	$ 21,719
Amounts Reappropriated in FY 88	$ 3,043	$ 25,501

If, at the end of October or any month thereafter of any fiscal year, general fund revenues collected for the fiscal year fall below 98% of the estimate adopted by the Legislative Budget Office at the date of sine die adjournment, the State Fiscal Management Board is required by statute to reduce allotments of appropriations to general fund agencies by the amount necessary to keep expenditures within the actual general fund receipts for the fiscal year. No agency's allotment may be reduced by more than 5% unless allotments to all general fund agencies have been reduced by 5%. Any required reductions in excess of 5% must consist of a uniform percentage reduction to all general fund agencies. Reduced allotments may be restored if revenue collections exceed revised estimates. For the year ended June 30, 1987, no general fund appropriation allotment was reduced.

State agencies are responsible for exercising budgetary control and ensuring that allotments are not overspent, subject to Fiscal Management Board review. The level of budgetary control is at the agency level by activity or function as well as by major expenditure classification (i.e., personal services, contractual services, commodities) if a major expenditure budget was established by approved appropriation bills. For those appropriations that are not delineated as to major expenditure classification, the lowest level of budgetary control is activity or function. Agencies are authorized to transfer appropriated amounts between major expenditure classifications within certain limitations, except that the amount budgeted for salaries cannot be changed and the amount budgeted for capital outlay - equipment cannot be increased. In addition, special fund expenditures cannot exceed the amount of cash in the fund at any time.

Budgeted general fund revenues, in the accompanying Combined Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP Basis) - All Budgetary Funds represent the general fund revenue estimate adopted by the Legislative Budget Office at the date of sine die adjournment. Special fund revenue estimates include anticipated revenues during the year and the amount of beginning cash balances on hand at the beginning of the year which are anticipated to be expended for special fund purposes.

Because of the complexity of the State's budget, a separate report, the State of Mississippi 1987 Annual Report of Budgetary Basis Expenditures, has been prepared to present a budget to actual comparison for each budgetary fund. A major expenditure classification for a specific activity or function may be budgeted from both general and special funds. Therefore, this separate budgetary report, available at the Fiscal Management Board, presents budgetary comparisons by source of funds (general or special) as well as major expenditures, in total.

The accompanying Combined Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP Basis) - All Budgetary Funds presents information for those funds for which a legally adopted annual budget was prepared. Therefore, the following analysis has been prepared to summarize the cash balances on a budgetary basis for all funds, considering non-appropriated funds and those funds appropriated on a multiple year basis (capital project funds) as of June 30, 1987 (amounts expressed in thousands):

	General Fund	Special Fund
Budgetary Fund Balances for Appropriated Funds as of June 30, 1987	$125,454,740	$149,404,667
Add:		
Cash Balances of Non-appropriated Special Funds		19,001,303
Cash Balances of Capital Project Funds		20,011,445
Less:		
Capital Project Expenditures Financed by General Fund	(9,808,828)	
Net Change in Investments		(28,040,948)
Cash Balance - All Funds	$115,645,912	$160,376,467

The Combined Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP Basis) - All Budgetary Funds presents comparisons of the legally adopted budget with actual data on a budgetary basis. Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles (see Note 1E), a reconciliation of resulting basis, timing, perspective and entity differences in the excess of revenues over (under) expenditures/expenses and other financing sources (uses) between budgetary and GAAP presentations for the year ended June 30, 1987 is presented on the following page (amounts expressed in thousands):

	Budgetary Funds		Financial Statement Fund Types	
	General	Special	General	Special Revenue
Excess of Revenues Over Expenditures and Other Financing Sources (Uses) - Budgetary Funds Budgetary Method	$ 73,664	$ 29,590	$	$
Entity and perspective differences				
Reclassification of budgetary funds to GAAP financial statement fund types	(73,664)	(27,739)	54,227	47,263
Elimination of Budgetary Funds that are GAAP agency funds		(1,851)		
Add non-budgeted funds			124,291	(10,057)
Basis Differences:				
Net accrued revenues, related receivables and deferred revenues			207,363	(4,021)
Net accrued expenditures/expenses and related liabilities			(315,498)	(12,818)
Timing Differences:				
Lapse period expenditures which were not treated as liabilities			9,000	39
Excess of revenues over expenditures and other financing sources (uses) - GAAP fund types - GAAP basis	$	$	$ 79,383	$ 20,406

NOTE 3—Other Accounting Disclosures

A. **Adjustments to Fund Equity** - During the fiscal year ended June 30, 1987, certain changes have been made to the financial statements to better conform with the governmental model. These changes generally are to reclassify individual funds between fund types, to record loans receivable and to change accounting estimations caused by improved estimation procedures. The 1986 comparative figures reflect these changes.

The following schedule details the restatement made to Fund Equity as of June 30, 1986 to give retroactive effect to these changes:

	Fund Type			General Fixed Assets Account Group
	Special Revenue	Debt Service	Enterprise	
Fund balance/retained earnings June 30, 1986 as previously reported	$64,761,689	$ 173,801,634	$ 120,980,138	$680,710,372
Reclassifications of individual funds between fund types	151,596		(189,523)	322,941
Reclassification of individual funds as agency funds		(73,866)		
Reclassification from retained earnings to contributed capital			(41,328,440)	
To record loans receivable at Federal-State programs	3,850,645			
To record effect of changes in accounting for accruing interest revenues		(1,101,578)	(1,302,000)	
To record effect of changes in accounting for loan guarantee fees			(70,677)	
To reflect changes in fiscal years of component unit to include period ending June 30, 1986			126,050	
Fund Balance/Retained Earnings June 30, 1986, as Restated	$68,763,930	$ 172,626,190	$ 78,215,548	$681,033,313

The retained earnings of Veterans' Home Purchase Board and Water Pollution Abatement Revolving Fund have been decreased by $9,600,000 and $31,728,440, respectively. Contributed capital for these funds was increased by like amounts. The change was made to reflect "start up" contributions from the general fund when the enterprise funds were organized.

Debt Service	Capital Projects	Enterprise	Internal Service	Fiduciary	University
$	$	$	$	$	$
		2,836	2,314	(104)	(5,133)
(14,704)	(856)	(10,675)		406,925	239,253
		9,380	636	40	212,923
		12,437	(858)	1,980	(409,688)
		893	74		
$ (14,704)	$ (856)	$ 14,871	$ 2,166	$ 408,841	$ 37,355

B. **Individual Fund Deficits** - The Department of Rehabilitation Services Disability Determination Services Fund and the General Services Land Leasing Fund (reported as a special revenue fund) had deficit balances of $167,610 and $216,822, respectively. The deficit of the General Services Land Leasing fund is the result of the recognition of allowances for uncollectible accounts. The deficit of the Disability Determination Fund is the result of recognition of fund liabilities in excess of accrued revenues.

C. **Residual Equity Transfers** - for the year ending June 30, 1987 were as follows:

From Fund Type	
Special Revenue	$ 1,866,992
Enterprise	335,014
Total	2,202,006
To Fund Type	
General	1,916,992
Net	$ 285,014

The net change above, as reflected in the accompanying financial statements is composed of enterprise fixed assets transferred to general fixed assets in the amount of $285,014.

NOTE 4—Equity in State Treasurer Cash and Short-term Investment Pool, Cash, Investments and Obligations under Repurchase Agreements

The State Treasurer maintains a cash and short-term investment pool that is used by all State general and special treasury funds and for investments of certain other state agencies. In addition, the Public Employees' Retirement System, the Mississippi Housing Finance Corporation (MHFC) and a small number of other State agencies carry out investment activities separate from the State Treasurer.

Deposits and investments of the State are summarized as follows:

Deposits (Cash and Certificates of Deposit)

The carrying amount of the State's total cash deposits as of June 30, 1987 was $760,014,042 and the corresponding bank balances which are represented by collected funds were $791,846,727. The portion of such bank balances covered by federal depository insurance or by collateral held by a custodial institution in the name of the State was $107,624,598. $619,197,572 was collateralized with securities held by a pledging financial institution's trust department or agent in the State's name. $65,024,557 was uninsured and uncollateralized. The university funds had $26 million, the State Treasurer $22 million and other agencies $17 million of uninsured deposits. Because of cash flow patterns concerning medicaid and certain state tax collections, there are certain days each month where bank balances of these accounts exceed pledged securities; however, these bank balances are generally uncollected funds.

The carrying amount of cash deposits of the State Treasurer as of June 30, 1987 was $600,040,851. State statutes require that depository banks maintain on deposit with the State Treasurer, pledged securities equal to 100% of deposits in excess of amounts covered by federal depository insurance. To encourage investment in State securities, codified State policy permits collateralization using State securities at market or par value whichever is greater. Zero coupon State securities accounted for approximately $13 million of the State Treasurer's uninsured deposits on June 30, 1987. The balance of the Treasurer's uninsured deposits of approximately $9 million resulted from market value declines of State and other securities. The State Treasurer's office does not have access to market quotes and therefore, does not have procedures to effectively monitor the acceptance of collateral based on market value rather than par value.

Investments

Short-term investments are generally managed and accounted for by the Public Employees' Retirement System and the State Treasurer. Long-term investments are generally managed and accounted for by the Public Employees' Retirement System and the Mississippi Housing Finance Corporation. A discussion of statutory authority for these investments follows:

State Treasurer - The State Treasurer is authorized to invest in Certificates of Deposits which are reflected as deposits and Repurchase Agreements of all qualified state depository banks. Banks domiciled in Mississippi may apply to the State Depository Commission and when approved must maintain on deposit with the State Treasurer qualifying securities at least equal to 100% of the amount of funds in excess of $100,000.

Public Employees' Retirement System (PERS) - PERS is authorized to invest in the following:

Bonds, notes, certificates, and other valid general obligations of the State of Mississippi, or of any county, or of any city, or of any supervisor's district of any county of the State of Mississippi;

School district bonds of the State of Mississippi;

Notes or certificates of indebtedness issued by the Veterans' Home Purchase Board of Mississippi;

Highway bonds of the State of Mississippi;

Corporate bonds of Grade A or better as rated by Standard and Poor's or by Moody's Investment Service;

Short-term obligations of corporations, or of wholly-owned subsidiaries of corporations, whose short-term obligations are rated A-1 or better by Standard and Poor's or rated P-1 or better by Moody's Investment Service;

Bonds of the Tennessee Valley Authority;

Bonds, notes, certificates, and other valid obligations of the United States, and other valid obligations of any federal instrumentality that issues securities under authority of an act of Congress and are exempt from registration with the Securities and Exchange Commission;

Bonds, notes, debentures, and other securities issued by any federal instrumentality and fully guaranteed by the United States;

Interest bearing bonds or notes which are general obligations of any other state in the United States or any city or county therein, provided such city or county had a population as shown by the federal census next preceding such investment of not less than twenty-five thousand (25,000) inhabitants, and provided that such state, city, or county has not defaulted for a period longer than thirty (30) days in the payment of principal or interest on any of its general obligation indebtedness during a period of ten (10) calendar years immediately preceding such investment;

Shares of stock, common and/or preferred, of corporations created by or existing under the laws of the United States or any state, district or territory thereof.

PERS is also authorized by its Board of Trustees to operate a securities lending program (Reverse Repurchase Agreement). This program is designed to produce supplemental income to the PERS fund with little or no additional risk. All securities in the PERS fund are available for loan to pre-approved securities dealers. In order to be approved, the securities dealers must meet the following criteria:

(a) They must meet the minimum net capital requirements and the aggregate indebtedness limitations that are imposed upon members of the New York Stock Exchange;

(b) They must have signed a Securities Lending Agreement with PERS.

Reverse repurchase agreements are a sale of securities with a simultaneous agreement to repurchase them in the future at the same price plus a contract rate of interest. The cash received on repurchase agreements normally exceeds the market value of securities underlying the reverse repurchase agreements, providing the System a margin against an increase in the market value of the securities. If the dealers default on their obligations to resell these securities to PERS or provide securities or cash of equal value, PERS would suffer an economic loss equal to the difference between the market value plus accrued interest of the underlying securities and the agreement obligation, including accrued interest. At June 30, 1987, the market value of the agreement obligation, including accrued interest, was greater than the market value plus accrued interest of the underlying securities; therefore, PERS had no credit exposure as of the date of the financial statement.

All of the investment assets of Mississippi Highway Safety Patrol Retirement System (MHSPRS) are combined with those of PERS and invested in two investment pools. One pool contains all bonds and related investments. The other contains all common stock and related investments. The pools are accounted for as part of the PERS Pension Trust Fund. MHSPRS has equity in the PERS fund based upon funds contributed and earnings allocated. Individual investments in the PERS Pension Trust Fund are not specifically allocated to MHSPRS.

All PERS investments are held by the System's custodial bank or by third party banks in the System's name.

Mississippi Housing Finance Corporation - The Corporation is authorized to invest in obligations of any municipality, the State of Mississippi or the United States; in obligations the principal and interest of which are guaranteed by the State or the United States; in obligations of any corporation wholly owned by the United States; in obligations of any corporation sponsored by the United States; in certificates of deposit or time deposits of depositories approved by the State Depository Commission; in money market funds and repurchase agreements whose underlying securities are authorized investments of the corporation.

As discussed in Note 1, the Mississippi Housing Finance Corporation (MHFC) fiscal year ends on August 31, and consequently 1986 MHFC financial statements are included in the accompanying June 30, 1987 financial statements. The investment disclosures in this note were not required at August 31, 1986 and, accordingly, collateral disclosures are not included.

The following table presents the carrying and market value of investments by type and categorizes the carrying amounts as follows: category 1 are those which are insured or registered, or held by the State or its agent in the State's name; category 2 are those which are uninsured and unregistered, with securities held by the counterparty's trust department or agent in the State's name; and category 3 are those which are uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the State's name. Investments not categorized include MHFC as noted in the above paragraph and universities endowment funds totaling $6,460,000 which are in control of a third party. At June 30, 1987, the State's investments consisted of (amounts expressed in thousands):

	State Treasurer	Public Employees' Retirement System	MHFC	Other
Investments				
Short-term securities:				
Commercial paper	$	$ 171,306	$	$
Repurchase agreements	77,000	92,799		76,696
U.S. Government securities and agencies		19,409		24,448
U.S. Government securities and agencies - long-term		1,563,844	35,018	52,863
Investment agreements with commercial banks			254,355	
Corporate bonds		387,225		1,857
Corporate equities		668,872		796
	77,000	2,903,455	289,373	156,660
Collateral held under reverse repurchase agreements:				
U.S. Government securities and agencies		213,232		
Repurchase agreements		449,276		
Deferred compensation plan:				
Short term securities:				
Commercial paper				338
U.S. Government securities and agencies - long term				19,611
Corporate bonds				2,093
Corporate equities				1,922
Fixed and variable investments				62,012
Life insurance contracts				1,085
Total investments	$ 77,000	$ 3,565,963	$ 289,373	$ 243,721

Statutes require that securities underlying repurchase agreements must have a market value of at least 100 percent of the cost of the repurchase agreement.

In addition to the deposits and investments described above, the State has approximately $358,973,618 on deposit with the United States Government. These funds represent unemployment insurance taxes collected from Mississippi state employers which are held by the U.S. Treasury.

NOTE 5—Taxes Receivable

Taxes receivable as of June 30, 1987 consisted of the following (amounts expressed in thousands):

	Fund Types		
	General	Expendable Trust	Total
Sales	$ 94,165	$	$ 94,165
Income	36,528		36,528
Gasoline	14,522		14,522
Insurance premium	10,700		10,700
Unemployment compensation		24,281	24,281
Other	16,427		16,427
Total Taxes Receivable	$ 172,342	$ 24,281	$ 196,623

		Category		
Carrying Value	Market Value	1	2	3
$ 171,306	$ 171,306	$ 171,306	$	$
246,495	246,495	145,461	10,302	90,732
43,857	44,036	19,409	17,988	
1,651,725	1,636,679	1,563,844	52,863	
254,355	254,355			
389,082	365,951	387,225	1,857	
669,668	896,804	668,872	796	
3,426,488	3,615,626	2,956,117	$ 83,806	$ 90,732
213,232	226,516			
449,276	449,276			
338	338	338		
19,611	19,611	19,611		
2,093	2,093	2,093		
1,922	1,922	1,922		
62,012	62,012			
1,085	1,085			
$ 4,176,057	$ 4,378,479	$ 2,980,081		

NOTE 6—Interfund Receivables/Payables

Interfund receivables and interfund payables consisted of the following at June 30, 1987 (amounts expressed in thousands):

Fund Type/Fund	Interfund Receivables		Interfund Payables	
General	$	$ 7,805	$	$ 12,962
Special Revenue:				
Telecommunications	586			
Federal-State Programs	834		6,212	
Emergency Management			47	
Land Leasing			283	
Education			1	
Vocational Rehabilitation for the Blind	74			
Rehabilitation Services	186		94	
Disability Determination			47	
Alcohol and Drug Abuse Program	196		229	
Social Services			1	
Employment Services	2,008		1,114	
Community Services			2	
Facility Maintenance and Operation			11	
Camp Shelby Base Operation			27	
Military Department Equipment Pool			3	
Air National Guard Training Site Operation			5	
Rice Promotion	1			
Soybean Promotion	17			
Oil and Gas Board			4	
Museum of Natural Science	35		20	
Bureau of Fisheries and Wildlife	4		271	
Wildlife Conservation Administrative			11	
Bureau of Marine Resources	50		19	
Public Service Commission	98		2,523	
Workers' Compensation Commission			9	
Bank Supervision Administrative			3	
Consumer Finance			1	
Other Regulatory Agencies			8	
Aeronautics Commission	17			
Energy and Transportation	46		135	
Railroad Loan	7		46	
Other			6	
		4,159		11,132
Debt Service:				
Highway Revenue Refunding Bond Retirement & Interest	3,423		278	
Fire Academy Bond Retirement & Interest	194			
		3,617		278
Capital Projects:				
Bureau of Buildings Construction and Improvement		1,437		
Enterprise:				
Certified Development Company, Inc.	22			
Fair Commission and Coliseum			133	
Veterans' Memorial Stadium Commission	505		1	
Mississippi Industries for the Blind	5		8	
Division of Lime			98	
Farmers Central Market Board			25	
Prison Industries	74		4	
Commissary	2		3	
Bureau of Surplus Property	1		2	
Allied Enterprises	38		21	
		647		295
Internal Service:				
Personnel Administration	8			
Data Processing Services	576		224	
Central Data Processing Authority Planning and Policy	261		1	
Telecommunications	407			
		1,252		225
Trust and Agency:				
Expendable Trust:				
Group Insurance	1,777			
State Employees' Unemployment Insurance	529		301	
Unemployment Compensation	369		63	
	2,675		364	
Nonexpendable Trust:				
Oil and Gas Taxes on State-owned Land	3		117	
Pension Trust:				
Public Employees' Retirement System			75,765	
Highway Safety Patrol Retirement System	75,211			
	75,211		75,765	

Fund Type/Fund	Interfund Receivables		Interfund Payables	
Agency:				
Social Security	$ 554	$	$	$
Local Government Distributive			101	
Program	662		117	
Institutional			85	
	1,216	79,105	303	76,549
University:				
Current Funds:				
Unrestricted	16,450		9,178	
Restricted	1,076		5,195	
Fiduciary Funds:				
Loan	73		41	
Endowment			1	
Agency	547		312	
		18,146		14,727
		$ 116,168		$ 116,168

NOTE 7—Loans and Notes Receivable

Loans and notes receivable, net of allowances of $8,064,935 for uncollectible accounts at June 30, 1987, consisted of the following (amounts expressed in thousands):

	Fund Types					
	General Fund	Special Revenue	Debt Service	Enterprise	University	Total
Mortgage loans (a)	$	$	$	$ 508,977	$	$ 508,977
Hospital equipment loans				23,746		23,746
Economic development loans				105		105
Railroad revitalization loans		1,081				1,081
Student loan program (b)					38,875	38,875
Ingalls Shipbuilding Corporation loan receivable (c)			68,870			68,870
Mississippi Business Act notes receivable (d)	7,636					7,636
Other loans receivable (e)		5,802		188		5,990
Total Loans and Notes Receivable	$ 7,636	$ 6,883	$ 68,870	(f) $ 533,016	$ 38,875	$ 655,280

(a) Mortgage loans receivable of $459,882,871 represent monies provided by the Mississippi Housing Finance Corporation to finance residential housing for persons of low and moderate income in the State. Proceeds of principal and interest on these loans are pledged to meet the debt service requirements of the Corporation's revenue bonds (see Note 12). Veterans' Home Purchase Board's mortgage loans receivable of $49,094,536 represent loans to eligible Mississippi veterans primarily for the purchase of residential housing.

(b) Student loans are made pursuant to student loan programs funded by the U.S. Government.

(c) In fiscal year 1967 the State sold general obligation bonds of $130 million to build and equip a shipyard and shipbuilding facilities for use by Ingalls Shipbuilding Corporation to further the economic growth of the State. Ingalls agreed to repay the loan over 40 years in amounts sufficient to pay maturing bond principal and interest.

(d) In fiscal year 1986 the State issued Mississippi Business Investment Act Notes, which were refunded by General Obligation Bonds subsequent to the date of the financial statements. The purpose of the notes and subsequent bonds is, in part, to provide interest free loans to Mississippi local governments for economic development.

(e) Federal-State Program Fund loans are due from other governments. The enterprise loan is due from a vendor.

(f) Total enterprise fund type loans and notes receivable include $21,917,910 of current loans receivable reflected in current receivables on the Combined Balance Sheet.

NOTE 8—Property, Plant and Equipment

Property, plant and equipment, net of accumulated depreciation where applicable, at June 30, 1987, consisted of the following (amounts expressed in thousands):

		Fund Types			
	General Fixed Assets Account Group	Enterprise	Internal Service	Trust	University
Land	$ 46,008	$ 2,212	$	$ 508	$ 14,355
Buildings	325,799	28,681		3,543	468,562
Improvements other than buildings	39,545	22,316		126	29,058
Machinery and equipment	289,297	9,848	12,424	896	238,941
Construction in progress	16,387	3,795			18,781
Total fixed assets	717,036	66,852	12,424	5,073	769,697
Accumulated depreciation where applicable		32,768	5,719	499	
Property, plant & equipment, net of depreciation	$ 717,036	$ 34,084	$ 6,705	$ 4,574	$ 769,697

Changes in general fixed assets by major asset classification for the year ended June 30, 1987 are presented below (amounts expressed in thousands):

	Balance July 1, 1986	Transfers In/ Additions	Transfers out/ Deletions	Balance June 30, 1987
Land	$ 46,006	$ 38	$ 36	$ 46,008
Buildings	288,947	39,201	2,349	325,799
Improvements other than buildings	36,190	3,369	14	39,545
Machinery and equipment	274,113	30,015	14,831	289,297
Construction in progress	35,777	20,524	39,914	16,387
	$ 681,033	$ 93,147	$ 57,144	$ 717,036

Construction in progress included in the General Fixed Assets Account Group is composed primarily of renovation of the Robert E. Lee Building, Department of Corrections facility expansion, improvements at several retardation centers and construction of the Veterans' Nursing Home.

NOTE 9—Debt Service Requirements to Maturity, Debt Authorization, Limitations, and Authorized but Unissued Debt

The annual requirements to amortize all debt outstanding as of June 30, 1987 including interest of $1,801,969,588 are as follows (expressed in thousands):

Fiscal Year	State Revenues	Revenue Pledges	Enterprise Funds	University Funds	Total
1988	$ 18,867	$ 34,726	$ 90,629	$ 8,473	$ 152,695
1989	15,017	34,360	84,536	5,765	139,678
1990	13,464	34,227	89,906	5,073	142,670
1991	11,732	45,948	88,827	4,061	150,568
1992	10,773	54,969	83,299	3,209	152,250
Thereafter	43,553	429,524	1,847,187	27,818	2,348,082
Total	$ 113,406	$ 633,754	$ 2,284,384	$ 54,399	$ 3,085,943

The above requirements are categorized by revenue sources which will be used to repay the long-term debt. The requirements to repay notes amounting to $11,669,000 are not included in the above requirements to amortize debt as bonds were issued subsequent to year end to refinance these notes.

Bond indebtedness incurred by the State of Mississippi must be authorized by legislation governing the specific programs or projects to be financed. Such legislation provides the State Bond Commission authority to approve and authorize the sale and issuance of bonds. The State Bond Commission is comprised of the Governor as chairman, the State Attorney General as secretary, and the State Treasurer.

The State's constitutional debt limit is established under Section 115 of the Mississippi Constitution which provides:

"Neither the State nor any of its direct agencies, excluding the political subdivisions and other local districts, shall incur a bonded indebtedness in excess of one and one-half (1 1/2) times the sum of all the revenue collected by it for all purposes during any one of the preceding four fiscal years, whichever may be higher."

As of June 30, 1987 the constitutional debt limitation was $3,324,887,000.

Current practice restricts revenues included in the foregoing debt limitation computation to the following governmental fund revenues: taxes, licenses, fees and permits, investment income, rental income, service charges including net income from the Alcoholic Beverage Control Division, fines, forfeits and penalties.

Approximately $211 million of authorized but unissued bond indebtedness existed at June 30, 1987, to be used for various purposes as described below (amounts expressed in thousands):

Purpose	Authorized Debt	Authorized But Unissued
Port improvement (Gulfport)	$ 40,000	$ 11,604
Public school construction	100,000	40,590
Business investment	50,000	47,800
Fire Academy construction	2,500	300
Mortgage loans to veterans	20,000	20,000
Home Port Causeway Issue	12,000	12,000
Correctional Facilities	56,650	56,650
State Fair	4,000	2,158
Farm Reform	10,000	10,000
Institute of Technology Development	10,000	10,000
	$ 305,150	$ 211,102

Additional revenues are not anticipated if any of the bonds authorized and unissued are issued.

NOTE 10—General Obligation Notes and Bonds

General obligation bonds are authorized and issued primarily to provide funds for constructing and improving State-owned facilities, including ports, stadium facilities, university facilities, public schools, parks, bridges and roads. General obligation bonds have also been issued to purchase land for wildlife conservation.

General obligation notes are backed by the full faith, credit and taxing power of the State. Under a line of credit the State borrowed $500,000 on March 2, 1987 to show commitment to the federal government for U. S. Naval Home Port. This line of credit was repaid when the Home Port bonds were issued July 1, 1987, in part, to refinance the note. Mississippi Business Investment Act Notes, amounting to $11.2 million, were issued August 28, 1986 pursuant to legislation enacted on March 31, 1986. The legislation also authorized the issuance of general obligation bonds which were issued August 1, 1987, in part, to refinance the notes. Since the legal steps necessary to refinance the notes were previously enacted by the Legislature and the notes were refinanced after the financial statement date, the notes are considered long-term and are included in the General Long-term Obligation Account Group.

General obligation bonds are backed by the full faith, credit and taxing power of the State. Although certain general obligation debt is being retired from the resources of the enterprise funds and is therefore recorded in these funds, the State remains contingently liable for its payment. General obligation debt, which was issued to finance the construction and equipping of educational buildings and other facilities for universities and is not secured by a pledge of revenues from the related facilities, is a direct obligation of the State and is reported in the General Long-term Obligations Account Group. Other general obligation debt of the university funds, which is being retired from pledged resources of those funds, is reported as a liability of the university funds although the State remains contingently liable for its retirement.

Port development (Litton) bonds are payable from revenues derived from a loan to Ingalls Shipbuilding Corporation, a wholly-owned subsidiary of Litton Industries, Inc. During fiscal year 1987, Litton Industries, Inc. prepaid loan payments and the State used those prepayments to purchase $8,495,000 of port development bonds at a discount of $507,225. The $68,870,000 port development bonds outstanding at June 30, 1987 are 5% term bonds, maturing December 1, 1997. The bond resolution requires annual deposits of payments from Litton to a sinking fund for the retirement of such bonds and the payment of semiannual interest. The obligation of Ingalls to make payments is unconditional so long as the bonds are outstanding and is guaranteed by Litton Industries, Inc. These bonds are also backed by the full faith and credit of the State.

The State's outstanding general obligation bonds and notes at June 30, 1987 were as follows (amounts expressed in thousands):

Purpose	**Amount Outstanding**	**Interest Rates**	**Final Maturity Date**
Enterprise Funds:			
Port improvement (Gulfport)	$ 18,572	1% - 10%	5/04
Port improvement (Yellow Creek)	485	4.7%	2/91
Stadium expansion	2,630	6.3% - 6.8%	12/99
	21,687		
University Funds:			
University building	11,969	3.3% - 6%	4/99
General Long-term Obligations Account Group:			
Public school construction	59,410	4.5% - 7.25%	9/99
Mississippi Technology Transfer Center	2,200	4.0% - 6.75%	12/91
State park improvement	8,335	4.5% - 8%	7/00
Wildlife conservation	5,350	4.7% - 5.1%	9/91
Pearl River Bridge construction	132	4.5%	12/87
Port development (Litton)	68,870	5%	12/97
Road construction, State aid	39,410	4.3% - 12%	9/00
University building	9,328	3.4% - 6.9%	9/92
General Obligation Bonds	193,035		
General Obligation Notes	11,669		
General Obligation Notes and Bonds	$ 238,360		

Future general obligation debt service requirements at June 30, 1987 are as follows (amounts expressed in thousands):

Year Ending June 30	**Principal**	**Interest**	**Total**
1988	$ 18,886	$ 12,367	$ 31,253
1989	16,216	11,344	27,560
1990	15,968	10,440	26,408
1991	14,491	9,540	24,031
1992	14,531	8,708	23,239
Thereafter	146,599	36,681	183,280
	$ 226,691	$ 89,080	$ 315,771

The general obligation bonds outstanding at June 30, 1987 include variable rate university building bonds of $2 million for which accurate future interest payments cannot be determined and, therefore, are not included in the above interest and total amounts.

Subsequent to year end:

- The State entered into an agreement on July 1, 1987 to issue $12 million of Home Port Causeway General Obligation Bonds and $10 million of General Obligation School Bonds. The Home Port Causeway Bonds mature serially through 2007 at interest rates ranging from 6.3% to 7.5%. The School Bonds mature serially through 1997 at interest rates ranging from 5.7% to 6.75%.
- The State entered into an agreement on August 1, 1987 to issue $35.1 million of Mississippi Business Investment Act General Obligation Bonds. The bonds mature serially through 2007 at interest rates ranging from 5.5% to 11%.
- The State entered into an agreement on August 1, 1987 to issue $56.7 million of Correctional Facilities General Obligation Bonds. The bonds mature serially through 2007 at interest rates ranging from 6.2% to 7.4%.

Changes in general obligation notes and bonds during the year ended June 30, 1987 are summarized in Note 14.

Note 11—Limited Obligation Bonds

Limited obligation bonds are payable exclusively from specific pledged General Fund revenues. Such bonds are not secured by the full faith, credit and taxing power of the State, and the holders of such bonds are not entitled to look to other State resources for payment.

The outstanding limited obligation bonds at June 30, 1987, including accrued interest on appreciation bonds aggregating $4,739,755, consisted of the following (amounts expressed in thousands):

	Amount Outstanding	Interest Rates	Final Maturity Date
Highway Refunding Bonds: (1)			
Serial bonds	$ 145,770	6% - 8.9%	2/98
Appreciation serial bonds	15,745	7.75% - 9.1%	8/98
Appreciation term bonds	3,536	9.875%	8/05
Term bonds	25,000	6.5%	8/05
Appreciation term bonds	13,659	10.25%	2/08
	203,710		
Fire Academy Bonds (2)	1,890	5.4% - 6.5%	10/90
Seed Testing Laboratory Bonds (3)	20	4.9% - 5.0%	1/88
Office Facility Bonds (4)	2,485	5.5% - 7.7%	11/93
	$ 208,105		

1. Highway Revenue Refunding Bonds - Series 1985 - (hereinafter referred to as the Series 1985 Bonds) were issued in September and October, 1985 for the purpose of refunding the State's outstanding $443,240,000 General Obligation Highway Refunding Bonds - 1978 Series and $11,550,000 General Obligation Highway Bonds - 1978 Series A, which constituted all of the then outstanding highway bonds of the State.

   The Series 1985 Bonds are payable solely from gross gasoline tax revenues and other sources pledged to their payment. The other pledged sources are: (a) proceeds from privilege tax collected in any year, net of certain administrative fees, in excess of $3.7 million; (b) proceeds derived from the issuance of fuel identification decals; (c) 15% of tobacco tax revenues collected in the previous month, not to exceed $5 million in any fiscal year; and (d) cash and investments in accounts established by the Highway Bond Resolution adopted on September 19, 1985. The Series 1985 Bonds are fully and unconditionally insured.

   The serial bonds and the appreciation serial bonds are not subject to redemption prior to maturity.

   The 6.50% term bonds, maturing in 2005, are redeemable at the option of the State on or after August 1, 1998 in whole or in part at a redemption price of 100% of the principal amount so redeemed, plus accrued interest to the date of redemption.

   The appreciation term bonds maturing on or after August 1, 2005 are redeemable in whole or in part at the option of the State on or after February 1, 2000 at a redemption price ranging from 105% of the accreted value of such bonds at the date of redemption in 2000, gradually decreasing to 100% of the accreted value of bonds redeemed February 1, 2005 and thereafter.

   The serial bonds and appreciation serial bonds mature semiannually on February 1 and August 1 through 1998. Interest on the serial bonds is compounded semiannually and payable only at maturity or redemption. The appreciation term bonds will accrete in value to yield at maturity $5,000 per original investment of $742 and $539 for those bonds maturing in 2005 and 2008, respectively. The appreciation serial bonds will accrete in value to yield at maturity $5,000 per original investment ranging from $1,602 for bonds maturing on August 1, 1998 to $3,474 for bonds maturing on August 1, 1990.

2. Fire Academy Bonds - Bonds in the aggregate principal amount of $2,200,000 were issued in June, 1986 to defray expenses of capital improvements at the State Fire Academy. Principal and interest are payable solely from the additional premium tax (one-half of one percent) on multi-peril insurance assessed to provide funds for such payments.

   Fire Academy Bonds are subject to redemption prior to their respective maturities, either in whole or in part, and if in part in inverse order of maturity, at the option of the State Treasurer on any interest payment date of April 1 and October 1, 1987 - 1990, at the principal amount thereof together with accrued interest to the date fixed for redemption.

3. Seed Testing Laboratory Bonds - Bonds were issued in 1978 to finance construction of an addition to the building housing the State Department of Agriculture's Seed Testing Laboratory and Division of Plant Industry. Principal and interest on these bonds are payable solely from fees derived from services administered by those divisions of the State Department of Agriculture which are housed within the structure financed by the bond issue.

4. Office Facilities Bonds - Bonds in the aggregate principal amount of $2,485,000 were issued on November 11, 1986 to construct and rent office facilities. Principal and interest are payable from the rental of the office building and seizure of money by the Bureau of Narcotics.

Future limited obligation debt service requirements at June 30, 1987 are as follows (amounts expressed in thousands):

Year Ending June 30	Principal	Interest	Total
1988	$ 7,225	$ 13,359	$ 20,584
1989	7,665	12,890	20,555
1990	8,160	12,358	20,518
1991	20,099	12,785	32,884
1992	30,974	11,221	42,195
Thereafter	129,242	160,555	289,797
	$ 203,365	$ 223,168	$ 426,533

Changes in limited obligation bonds during the year ended June 30, 1987 are summarized in Note 14.

Note 12—Revenue Bonds and Notes

Revenue bonds and notes are backed by a pledge of resources derived from users of the related facilities and are not supported by the full faith and credit of the State.

Revenue bonds and notes outstanding, net of unamortized discounts at June 30, 1987 were as follows (amounts expressed in thousands):

Fund Type/Agency	Amount Outstanding	Interest Rates	Final Maturity Date
Enterprise:			
Mississippi Fair Commission	$ 1,842	5% - 9.45%	12/05
Mississippi Housing Finance Corporation	715,326	6.5% - 12.125%	9/16
Mississippi Hospital Equipment Financing Authority	91,770	6.5% - 8.25%	4/90
	808,938		
University:			
Alcorn State University	565	2.875% - 3.5%	11/02
Jackson State University	5,291	2.875% - 12.5%	12/20
Mississippi State University	15,047	2.75% - 11.0%	12/20
Mississippi Valley State University	895	3% - 3.5%	7/08
Mississippi University for Women	335	7.12%	7/90
University of Mississippi	5,847	2.75% - 10.0%	7/08
University Medical Center	735	6%	6/92
University of Southern Mississippi	2,686	3.0% - 10.25%	6/00
	31,401		
	$ 840,339		

In compliance with Section 69-5-11, Mississippi Code Ann. (1972), the Fair Commission has established restricted accounts in the aggregate of $1,032,741 for the payments of debt service related to the revenue bonds. Assets consisting of cash and short term investments, $1,028,701; interest receivables, $4,040; less current interest payable, $13,018; and current revenue bonds payable of $81,000 have been restricted for such purposes.

Changes in revenue bonds for the year ended June 30, 1987 are summarized below (amounts expressed in thousands):

Balance July 1, 1986	$ 598,471
Notes and Bonds Issued	268,473
Principal Retirements	(32,945)
Bond Appreciation	6,340
Balance June 30, 1987	$ 840,339

Future revenue bond and note debt service requirements at June 30, 1987 were as follows (amounts expressed in thousands):

	Enterprise		**University**		**Total**		
Year Ending June 30	Principal	Interest	Principal	Interest	Principal	Interest	Total
1988	$ 22,926	$ 67,703	$ 3,874	$ 1,244	$ 26,800	$ 68,947	$ 95,747
1989	17,961	66,575	1,868	1,147	19,829	67,722	87,551
1990	24,565	65,341	1,738	1,050	26,303	66,391	92,694
1991	25,260	63,567	1,659	966	26,919	64,533	91,452
1992	20,610	62,689	1,647	883	22,257	63,572	85,829
Thereafter	697,616	1,149,571	20,615	6,500	718,231	1,156,071	1,874,302
	$ 808,938	$1,475,446	$ 31,401	$ 11,790	$ 840,339	$1,487,236	$2,327,575

Mississippi Hospital Equipment and Facilities Authority has issued in fiscal year 1987 $70 million in bonds at interest rates determined monthly. The above interest requirements do not include this issue.

NOTE 13—Defeased Bonds and Other Long-term Obligations

A. **Defeased Bonds** - In 1978 and 1985, the State defeased certain outstanding general obligation and other bonds by depositing the net proceeds of new bonds and additional monies from debt service funds in an irrevocable trust to be used solely for satisfying all future scheduled principal and interest payments on the old bonds. Accordingly, for financial reporting purposes the defeased bonds and related trust accounts are not included in the financial statements. At June 30, 1987 the following outstanding bonds were considered defeased (amounts expressed in thousands):

Highway Revenue Bonds - Series 33-37	$ 630
General Obligation Highway Bonds - Series 38	610
General Obligation Highway Bonds - Series 39	5,120
General Obligation Highway Bonds - Series 40	7,000
General Obligation Highway Bonds - Series 41	7,800
General Obligation Highway Bonds - Series 42	11,700
General Obligation Highway Bonds - Series 43	21,200
General Obligation Highway Bonds - Series 44	24,800
General Obligation Highway Bonds - Series 45	33
General Obligation Highway Bonds - Series 46	33,300
General Obligation Highway Bonds - Series 47	28,900
General Obligation Highway Bonds - Series 48	5
General Obligation Highway Bonds - Series 49	21,000
General Obligation Highway Bonds - Series 50	14,600
General Obligation Highway Bonds - Series 1978	443,240
General Obligation Highway Bonds - Series 1978-A	10,650
	$ 630,588

B. **Capital Lease Commitments** - The State leases property with varying terms and options. Most leases contain a fiscal funding addendum stating that the lease shall terminate on the last day of the fiscal year if appropriated funds for the ensuing fiscal year are insufficient. However, if renewal is reasonably assured, leases requiring appropriation by the Legislature are considered noncancellable leases for financial reporting purposes.

At June 30, 1987, capitalized leases included in property, plant and equipment were as follows (amounts expressed in thousands):

	University Fund Type	**General Fixed Assets Account Group**
Machinery and equipment	$ 14,778	$ 7,682

Future minimum commitments under capital leases as of June 30, 1987 were as follows (amounts expressed in thousands):

Year Ending June 30	University Fund Type	General Long-term Obligations	Total
1988	$ 3,355	$ 1,756	$ 5,111
1989	2,750	1,262	4,012
1990	2,285	765	3,050
1991	1,436	765	2,201
1992	679	308	987
Thereafter	703		703
Total Minimum Lease Payments	11,208	4,856	16,064
Less: Amounts Representing Costs and Interest	1,829	657	2,486
Present Value of Net Minimum Lease Payments	$ 9,379	$ 4,199	$ 13,578

C. **Compensated Absences** - The State of Mississippi's liability for compensated absences reported in the General Long-term Obligations Account Group at June 30, 1987 was $35,537,330. The reported liability includes related fringe benefits and excludes any obligations related to leave accumulations in excess of 30 days per employee (see Note 1-M).

D. **Other Long Term Obligations** - The State constructed and equipped an alcoholic beverage control warehouse for use by the alcoholic beverage control division. Repayment of the loan as financed by banks is from a 1% surcharge on all liquor sales.

NOTE 14—Changes in General Long-term Obligations

Changes in general long-term obligations for the year ended June 30, 1987 are summarized below (amounts expressed in thousands):

	General Obligation Notes (Note 10)	General Obligation Bonds (Note 10)	Limited Obligation Bonds (Note 11)
Balance at July 1, 1986	$	$ 216,348	$ 209,071
Notes and bonds issued	11,669	12,200	2,485
Compensated absences earned			
Decrease in lease obligations			
Increase in accreted value of capital appreciation bonds			2,854
Principal retirements and defeased bonds		(35,513)	(6,305)
Compensated absences taken			
Increase in other long-term obligations			
Balance at June 30, 1987	$ 11,669	$ 193,035	$ 208,105

Accrued Compensated Absences (Note 13)	Capital Lease Obligations (Note 13)	Other Long-term Obligations (Note 13)	Total
$ 34,906	$ 2,413	$ 1,877	$ 464,615
			26,354
19,169			19,169
	(1,464)		(1,464)
			2,854
		(1,152)	(42,970)
(18,538)			(18,538)
	3,250		3,250
$ 35,537	$ 4,199	$ 725	$ 453,270

NOTE 15—Segment Information - Enterprise Funds

Financial information by enterprise fund segment is as follows (amounts expressed in thousands):

	Department of Economic Development		Department of Natural Resources
	Certified Development Co., Inc. (a)	**Fair Commission and Coliseum** (b)	Water Pollution Abatement Revolving Loan (c)
Operating revenues	$ 503	$ 2,299	$ 99
Depreciation and amortization	4	262	
Operating income (loss)	283	(190)	51
Operating transfers in			
Operating transfers out			
Residual equity transfer out			
Nonoperating revenues	(37)	76	
Nonoperating expenses			
Net income (loss)	246	(113)	51
Current capital contributions	4,995		31,728
Property, plant and equipment:			
Additions	3	714	
Deletions		1	
Net working capital	6,126	842	4,448
Total assets	6,476	8,477	35,346
Bonds and other long-term liabilities payable from operating revenues		1,761	
Total equity	6,132	6,359	33,520

	Department of Agriculture and Commerce		
	Division of Lime (j)	Authority for Control of Fire Ants (k)	Farmers' Central Market Board (l)
Operating revenues	$ 246	$	$ 302
Depreciation and amortization	108	36	43
Operating income (loss)	(111)	(36)	59
Operating transfers in			2
Operating transfers out			
Residual equity transfer out		(335)	
Nonoperating revenues	(49)		(3)
Nonoperating expenses	10		1
Net income (loss)	(170)	(36)	58
Current capital contributions			8
Property, plant and equipment:			
Additions			92
Deletions	63		3
Net working capital	(117)		19
Total assets	1,092		1,089
Bonds and other long-term liabilities payable from operating revenues			188
Total equity	908		828

The following types of goods or services are provided by the enterprise funds:

(a) Economic development loans to small businesses and loan guarantees
(b) State fair and coliseum activities
(c) Loans to municipalities for water pollution control
(d) Home mortgage loans to veterans
(e) Concessions and ticket sales to sporting events
(f) Port facilities
(g) Residential housing loans for lower and moderate income families
(h) Miscellaneous goods manufactured by blind persons
(i) Loans to Mississippi hospitals for hospital equipment
(j) Lime
(k) Fire ant bait - residual equity transfer to the general fund and the general fixed asset account group
(l) Processing, storing and marketing agricultural products
(m) Janitorial supplies, garden produce, firewood, and bindery services
(n) Food services
(o) Groceries
(p) Tree implanting
(q) Federal property distribution
(r) Port facilities
(s) Miscellaneous goods and services provided by handicapped citizens

Veterans' Home Purchase Board (d)	Veterans' Memorial Stadium Commission (e)	Port Authority at Gulfport (f)	Mississippi Housing Finance Corporation (g)	Mississippi Industries for the Blind (h)	Mississippi Hospital Equipment Financing Authority (i)
$ 4,208	$ 765	$ 4,332	$ 76,594	$ 13,789	$ 4,634
1	221	562	148	149	228
3,817	(99)	229	5,207	(71)	522
	88	344		54	
3,817	(11)	573	5,207	(18)	522
9,600				3,367	
	91	514		70	
				4	
5,715	1,630	683	(9,103)	4,586	60,646
53,933	5,650	20,085	766,121	7,054	93,768
	3,490	17,454	703,351		80,900
52,933	1,965	1,129	22,209	5,908	767

Department of Corrections			Department of Forestry			Department of Rehabilitation Services	
Prison Industries (m)	Lake Lodge (n)	Commissary (o)	Tree Seedling (p)	Bureau of Surplus Property (q)	Yellow Creek Inland Port Authority (r)	Allied Enterprises (s)	Total
$ 358	$ 223	$ 1,494	$	$ 617	$ 321	$ 5,073	$ 115,857
59	1	6		37	154		2,019
(114)	(27)	93		106	(191)	(3,573)	5,955
531	20	14	300		4,308	4,019	9,194
(893)		(19)					(912)
							(335)
	2	16			136	44	671
8		19		1			39
(483)	(5)	85	300	105	4,253	489	14,870
316	6			13			50,033
36	9	16		28	617		2,190
15		19		1			106
926	45	433	300	293	3,792	1,892	83,156
1,636	83	565	300	670	5,744	2,004	1,010,093
					370		807,514
1,564	73	458	300	600	5,239	1,892	142,784

NOTE 16—Deferred Compensation Plan

The State offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all employees of the State and its political subdivisions, permits participants to defer a portion of their salary until future years, thereby deferring taxation on the portion deferred. The deferred compensation is not available to employees until they are separated from service or face a serious unforeseeable financial emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or his beneficiary) solely the property of the employer (without being restricted to the provisions of benefits under the plan), subject only to the claims of the general creditors of the State and other entities which employ deferred compensation participants. Participants' rights under the plan are equal to those of general creditors of the employers in an amount equal to the fair market value of the deferred account for each participant.

As of June 30, 1987, assets held for participants and reported in an agency fund totaled approximately $88 million. The State has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The Board of Trustees of the Public Employees' Retirement System, as plan administrators, believe that it is unlikely that the State, counties, municipalities or other entities will use the assets to satisfy the claims of general creditors in the future.

NOTE 17—RETIREMENT PLANS

Plan Description

1) General

The State of Mississippi, through its Public Employees' Retirement System Board of Trustees (System), administers the State's defined benefit plans, a multiple-employer, cost sharing public employee retirement system, the Mississippi Public Employees' Retirement System (PERS) and a single-employer public employee retirement system, the Mississippi Highway Safety Patrol Retirement System (MHSPRS). Any political subdivision or juristic entity may elect to have its employees covered by PERS. The purpose of these plans is to provide pension benefits for all state employees, uniformed officers of the state highway patrol, and other public employees whose employers have elected to participate in the System. PERS and MHSPRS are considered part of the State of Mississippi's financial reporting entity and are included in the State's financial report as pension trust funds. Total covered payrolls of all participating employers aggregated $ 1,925,874,375 for the year ended June 30, 1987. The total covered payroll for the year ended June 30, 1987 for the State and MHSPRS was $ 695,237,429 and $ 10,005,940, respectively. At June 30, 1987 the number of participating government employers was:

State agencies	133
Public schools	145
Universities	10
Junior colleges	17
Counties	93
Municipalities	189
Juristic entities	152
Total Employers	739

At June 30, 1987, PERS and MHSPRS membership consisted of:

	PERS	MHSPRS
Retirees and beneficiaries of deceased retirees currently receiving benefits	28,597	388
Terminated employees entitled to benefits but not yet receiving them	67,715	35
Active employees:		
Vested	80,722	417
Non-vested	38,356	103
Total active employees	119,078	520
Total participants	215,390	943

All members of MHSPRS are employed by the State. Active PERS members by employer at June 30, 1987 were as follows:

State agencies	27,820
Public schools	49,416
Universities	11,893
Junior colleges	3,868
Counties	8,724
Municipalities	10,034
Juristic entities	7,323
Total	119,078

2) **Benefit Provisions**

Public Employees' Retirement System - Participating employees who retire at or after age 60 with 4 years of credited service or those who retire regardless of age with at least 30 years of credited service are entitled to an annual retirement allowance, payable monthly for life, in an amount equal to 1-5/8% of their average compensation for each year of credited service up to 20 years, 1-3/4% for each year of credited service in excess of 20 years up to and including 30 years, and 2% for each year of credited service over 30 years. Average compensation is the average of the employee's earnings during the four highest consecutive years of credited service. Employees with 4 to 29 years of credited service may retire at or after age 60 but before age 65 and receive a reduced retirement benefit. A member may elect an option for a reduced allowance payable throughout his life with the provision that, after his death, a beneficiary receives benefits for life or for a specified number of years. Benefits vest upon completion of 4 years of credited service. The System also provides certain death and disability benefits.

Retirees and beneficiaries who on December 1 of each year are receiving a retirement allowance are entitled to receive an additional payment equal to the annual percentage change of the consumer price index not to exceed 2-1/2% of the annual retirement allowance for each full fiscal year of retirement. These persons may also receive an additional amount, as determined by the PERS Board of Trustees contingent on sufficient funding, calculated in increments of 1/4 of 1% not to exceed 1-1/2% of the annual retirement allowance for each full year of retirement. For the years ended June 30, 1987 and 1986, the total additional annual payment percentage was 3-1/4% (2-1/2% + 3/4%).

Mississippi Highway Safety Patrol Retirement System - Participating employees who withdraw from service at or after age 55 with at least 5 years of credited service or those who retire regardless of age with at least 30 years of credited service are entitled to an annual retirement allowance, payable monthly, in an amount equal to 2-1/2% of their average compensation, based on their 4 highest consecutive years, for each year of credited service. Employees with at least 20 years of credited service may retire between ages 45 and 54 and receive a reduced retirement benefit. Benefits vest upon reaching 5 years of credited service. The System also provides certain death and disability benefits.

Retirees and beneficiaries who on December 1 of each year are receiving a retirement allowance are entitled to receive an additional payment equal to the annual percentage change of the consumer price index not to exceed 2-1/2% of the annual retirement allowance for each full fiscal year of retirement. These persons may also receive an additional amount, as determined by the PERS Board of Trustees contingent on sufficient funding, calculated in increments of 1/4 of 1%, not to exceed 1-1/2% of the annual retirement allowance for each full year of retirement. For the years ended June 30, 1987 and 1986, the total additional annual payment percentage was 3-1/4% (2-1/2% + 3/4%).

Employee and Employer Obligations to Contribute - Employees covered by PERS and MHSPRS are required to contribute 6% and 6.5%, respectively, of their salary. If an employee leaves covered employment, accumulated employee contributions plus related investment earnings allocations are refunded to the employee at his request. In the event of death prior to retirement of any member whose spouse and/or children are not entitled to a retirement allowance, the deceased member's accumulated contributions and investment earnings allocations are paid to the designated beneficiary. Each employer contributes the remaining amounts necessary to finance the participation of its own employees in the System. Benefits and contribution provisions are established by state law and may be amended only by the State of Mississippi Legislature.

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting - PERS and MHSPRS financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenue in the period in which employee services are performed.

Method Used to Value Investments:

a. Short-term interest-bearing securities are stated at cost. Maturities are generally less than 180 days. Income is recognized as earned.

b. Bonds are stated at cost. Gains and losses on bond sales are recognized under the completed transaction method.

c. Equity securities are stated at cost. Income is recognized as earned. The cost of common stock sold is determined using the average cost of that security.

d. Collateral held under reverse repurchase agreements are stated at cost. Income is recognized as earned.

See Note 4 for a more detailed discussion of investment policies.

Funding Status and Progress

The amount shown below as "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. The measure is the actuarial present value of credited projected benefits and is intended to help users assess statewide PERS and MHSPRS funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among other systems. The measure is independent of the actuarial funding method used to determine contributions to the System as discussed in Contributions Required and Contributions Made.

The pension benefit obligation was determined as part of an actuarial update at June 30, 1987 and an actuarial valuation at June 30, 1986. Significant actuarial assumptions used to compute the pension benefit obligation include: (a) a rate of return on the investment of present and future assets of 8% a year compounded annually, (b) projected salary increases graduated by age from 5% to 9.3% per year compounded annually, and (c) life expectancies before and after retirement based on the 1951 Group Mortality Table.

At June 30, 1987, the unfunded pension benefit obligation was as follows (amounts expressed in thousands):

	PERS	MHSPRS	TOTAL
Pension benefit obligation:			
Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	$1,603,750	$72,087	$1,675,837
Current employees - accumulated employee contributions including allocated investment income	794,684	4,944	799,628
Employer-financed vested	204,557	4,334	208,891
Employer-financed non-vested	1,088,068	15,084	1,103,152
Total pension benefit obligation	3,691,059	96,449	3,787,508
Net assets available for benefits, at cost (Market Value PERS $3,109,233; MHSPRS $80,429)	2,926,177	75,543	3,001,720
Unfunded pension benefit obligation	$ 764,882	$20,906	$ 785,788

Effects of Current Year Changes in Actuarial Assumptions and Benefit Provisions

Actuarial valuations of PERS and MHSPRS are performed every other year as of June 30 (on even-numbered years) and each valuation is affected by changes in actuarial assumptions and changes in benefit provisions since the preceding valuation. The nature of changes in actuarial assumptions and benefit provisions, including the dollar effect on the System's pension benefit obligation at June 30, 1987 and 1986, since the most recent actuarial valuation as of June 30, 1986 is explained below:

1987:
Actuarial Assumptions

None

Benefit Provisions

Reduced the number of years to qualify for disability retirement from 10 to 4 years of creditable service. This change in benefit provision is considered to have an insignificant effect on the System's pension benefit obligation.

1986:
Actuarial Assumptions

(1) Increased interest rate assumption from 7-1/2% to 8% for both PERS and MHSPRS.

(2) Increased salary scale from 6% to 6-1/2% for MHSPRS.

The effect of these changes in actuarial assumptions on PERS and MHSPRS was to reduce the pension benefit obligation by approximately $195,000,000 and $5,000,000 for PERS and MHSPRS, respectively.

Benefit Provisions

(1) Determined "average compensation" using highest four versus five successive years and provided a 3% ad hoc increase to all retired members where retirement allowance was based on the average of compensation of five successive years for both PERS and MHSPRS.

(2) Reduced vesting eligibility from ten years to four years and fifteen to five years of service for PERS and MHSPRS, respectively.

(3) Increased minimum monthly allowance for each year of service from $5 to $7.50 for PERS.

(4) Eliminated 3% reduction in benefits when state law requires retirement at age 62 from July 1, 1985 through June 30, 1986 for PERS.

(5) Provided an early retirement incentive to members of MHSPRS whereby a member who has at least 20 years of service shall not be subject to the 3% penalty if below the age of 55 and elects to withdraw and retire during the period from April 18 through June 30, 1986. Provided further that the retirement allowance shall be based upon the current fiscal year's salary of the applicant.

The aggregate increase in the System's pension benefit obligation resulting from the benefit provision modifications was $90,000,000 and $11,000,000 for the PERS and MHSPRS, respectively.

Benefit Provisions Effective Subsequent to Year-End

During its 1987 session, the Mississippi State Legislature passed Senate Bill No. 2387. The bill, effective July 1, 1987, grants an enhanced benefit to members of the System who have 25 or more years of service or otherwise qualify for a retirement benefit and increases the minimum monthly allowance for each year of service from $7.50 to $10.00. The additional costs to the System for the above changes will be to increase the PERS obligation by approximately $236,000,000.

Contributions Required and Contributions Made

Funding policies for PERS and MHSPRS provide for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate sufficient assets to pay benefits when due. Level percentage of payroll employer contribution rates are determined using the entry age normal actuarial funding method. Actuarial valuations prepared as of June 30, 1986, the most recent valuation date, indicate that the unfunded liability liquidation periods of PERS and MHSPRS are 14 and 16 years, respectively, under the level percentage of payroll method.

Contributions for PERS and MHSPRS were made in accordance with actuarially determined contribution requirements determined through an actuarial valuation performed at June 30, 1986. In the following table summarizing contributions, $874,226 of fees collected by MHSPRS are included in State contributions. Contributions for the year ended June 30, 1987 consisted of (amounts expressed in thousands):

	PERS		MHSPRS	
	Amount	Percentage of current covered payroll	Amount	Percentage of current covered payroll
Employers' contributions:				
Normal cost	$ 83,532	4.36%	$1,877	15.03%
Amortization of unfunded actuarial present value	84,107	4.39%	1,615	12.94%
Employees' contributions:				
Normal cost	111,113	6.00%	663	6.50%
Total contributions	$278,752		$4,155	

Significant actuarial assumptions used to compute contribution requirements are the same as those used to compute the standardized measure of the pension obligation discussed in Funding Status and Progress.

Historical Trend Information

Ten-Year -

Historical trend information designed to provide information about PERS' and MHSPRS' progress made in accumulating sufficient assets to pay benefits when due is presented in the separately issued Component Unit Financial Report of the Public Employees' Retirement System.

Three-Year - (amount expressed in thousands)

	Net assets available for benefits (a)	Pension benefit obligation (b)	(a) ÷ (b) (c)	Unfunded pension benefit obligation (d)	Annual covered payroll (e)	(d) ÷ (e) (f)	Employer annual covered payroll (g)	Employer contributions (h)	(h) ÷ (g) (i)
PERS									
1986	$2,523,570	$3,276,754	77.0%	$753,184	$1,676,489	44.9%	$ 701,881	$61,415	8.75%
1987	2,926,177	3,691,059	79.3	764,882	1,782,165	42.9	695,237	60,833	8.75
MHSPRS									
1986	$ 68,190	$ 81,821	83.3%	$ 13,631	$ 9,781	139.4%	$ 13,726	$ 3,591	26.16%
1987	75,543	96,449	78.3	20,906	11,135	187.8	10,006	2,618	26.16

Information for fiscal year 1985 was not available.

Analysis of the dollar amounts of net assets available for benefits, pension benefit obligation, and unfunded pension benefit obligation in isolation can be misleading. Expressing the net assets available for benefits as a percentage of the pension benefit obligation provides one indication of PERS and MHSPRS funding status on a going-concern basis. Analysis of this percentage over time indicates whether the System is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the PERS. Trends in unfunded pension benefit obligation and annual covered payroll are both affected by inflation. Expressing the unfunded pension benefit obligation as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of PERS' and MHSPRS' progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the PERS. The State's contributions were made in accordance with actuarially determined requirements.

NOTE 18—Commitments

A. Operating Leases

The State of Mississippi has entered into numerous agreements to lease land and buildings which are classified as operating leases. These agreements generally contain the provision that, at the expiration date of the lease, the State may renew the operating lease on a month-to-month basis. It is expected that in the normal course of business most of these leases will be renewed or replaced by similar leases. Future minimum commitments due under operating leases for land and buildings as of June 30, 1987 were as follows (amounts expressed in thousands):

Year Ending June 30	Amount
1988	$ 5,853
1989	4,188
1990	2,813
1991	1,293
1992	554
Thereafter	950
Total Minimum Commitments	$15,651

Expenditures for rental of land and buildings under operating leases for the year ended June 30, 1987 amounted to $6,677,907.

B. Contracts

At June 30, 1987, the Highway Department had long-term contracts outstanding of approximately $250,567,734 with performance continuing during fiscal year 1988. These contracts will be paid through the General Fund. Approximately 72% of future expenditures related to these commitments are expected to be reimbursed from proceeds of federal grants when the actual costs are incurred. The remaining portion will be funded by specific gasoline taxes.

The State Aid Road Division had long-term contracts of $15,463,134 outstanding at June 30, 1987 for construction of state and county roads. These contracts will be paid through the General Fund primarily from specific tax levies.

The Bureau of Building, Grounds and Real Property Management had outstanding construction contracts of $12,204,645 at June 30, 1987. These contracts will be paid from capital projects funds.

The universities have contracted for the construction of various facilities. At June 30, 1987 contracts of $18,749,109 were outstanding. These will be paid through the university funds from bond proceeds, transfers from capital projects funds and plant fund revenues.

NOTE 19—Contingencies

A. Federal Grants - The State has received federal grants for specific purposes that are subject to audit by the grantor agencies. Entitlements to these resources are generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from an audit may become a liability of the State. The State estimates that the ultimate disallowance pertaining to these grants, if any, will be immaterial to its overall financial condition.

B. Litigation - The State has several actions filed against it by out-of-state insurance companies to seek substantial tax refunds. The parties have agreed to hold any major proceedings in these cases in obeyance until further guidance can be obtained from a case in the courts of another state. If the court should rule that collection of the tax was unconstitutional the tax rate shall be increased 1% for a period of six years to fund any losses.

The State is party to legal proceedings, many of which occur in the normal course of governmental operations. It is not possible at the present time to estimate ultimate outcome or liability, if any, of the State with respect to the various proceedings; however, the State's legal counsel believes that any ultimate liability resulting from these lawsuits will not have a material adverse effect on the financial condition of the State.

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General Fund

The General Fund accounts for resources obtained and used for those services traditionally provided by state government which are not required to be accounted for in another fund.

General Fund

Balance Sheet
June 30, 1987

	June 30, 1987	June 30, 1986
Assets:		
Cash and cash equivalents	$ 469,942,014	$ 395,857,102
Receivables, net:		
Taxes	172,342,432	161,619,837
Interest	4,028,207	2,914,855
Due from other governments	100,481,505	88,983,069
Other	12,394,599	16,888,224
Interfund receivables	7,804,730	5,382,400
Food stamp inventory	82,249,243	64,935,953
Inventories	28,843,501	28,471,443
Loans and notes receivable	7,636,400	
Loans to other funds	119,613	
Total Assets	$ 885,842,244	$ 765,052,883
Liabilities:		
Warrants payable	$ 61,479,739	$ 69,682,906
Accounts payable and accruals	111,185,004	113,822,584
Income tax refunds payable	70,000,000	56,000,000
Due to other governments	64,695,360	47,512,766
Interfund payables	12,962,464	10,706,606
Deferred revenues	96,790,414	80,323,687
Loans from other funds	2,800,000	2,800,000
Total Liabilities	419,912,981	380,848,549
Fund Balance:		
Reserved for:		
Encumbrances	8,693,376	13,954,063
Inventories	28,843,501	28,471,443
Long-term portion of loans and notes receivable	12,147,325	5,629,292
Unreserved:		
Designated for debt service	199,432	
Designated for road and highway construction	131,083,397	117,247,126
Designated for other specific purposes	108,107,249	107,936,124
Undesignated	176,854,983	110,966,286
Total Fund Balance	465,929,263	384,204,334
Total Liabilities and Fund Balance	$ 885,842,244	$ 765,052,883

General Fund

Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balance For the Year Ended June 30, 1987

	For the Year Ended	
	June 30, 1987	June 30, 1986
Revenues:		
Taxes:		
Sales and use	$ 1,028,554,608	$ 1,039,574,306
Gasoline	146,209,173	149,982,500
Motor fuel and privilege	32,564,066	33,512,443
Motor vehicle registration	16,638,198	15,998,562
Individual income	301,892,455	276,966,108
Alcoholic beverage	40,646,026	39,417,374
Corporate income and franchise	159,608,380	146,757,143
Severance	50,718,929	70,212,788
Inheritance	9,590,186	13,038,645
Tobacco	54,506,774	54,424,436
Insurance	72,592,006	69,236,432
Nuclear power	17,809,814	
Other	4,808,616	4,991,605
Licenses, fees and permits:		
User fees	15,158,412	18,983,398
Drivers' licenses	5,893,681	5,881,682
Other	16,121,875	9,448,097
Federal government	1,134,941,451	968,121,290
Interest	28,981,932	32,953,701
Departmental services:		
Interdepartmental charges	4,559,998	6,003,058
Sale of supplies and services outside State government	141,856,758	136,237,768
Rentals	4,249,733	3,822,900
Other	22,860,212	34,280,885
Total Revenues	3,310,763,283	3,129,845,121
Expenditures:		
Current:		
General government	467,728,304	422,054,747
Education	989,852,829	833,327,969
Health and social services	1,015,369,320	955,341,494
Law, justice and public safety	115,498,022	118,583,693
Recreation and resources development	52,888,854	53,813,715
Transportation	336,817,295	396,192,813
Debt service:		
Principal	9,679,680	8,266,212
Interest and other fiscal charges	2,110,753	2,067,461
Total Expenditures	2,989,945,057	2,789,648,104
Excess of Revenues over (under) Expenditures	320,818,226	340,197,017
Other Financing Sources (Uses):		
Proceeds of notes and bonds issued	23,869,000	
Proceeds of capital leases	3,250,240	
Operating transfers in	79,645,609	47,274,605
Operating transfers out	(348,200,107)	(388,227,920)
Net Other Financing Sources	(241,435,258)	(340,953,315)
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	79,382,968	(756,298)
Fund Balance July 1, as Restated	384,204,334	386,558,909
Residual Equity Transfer In	1,916,992	
Increase (Decrease) in Reserve for Inventories	424,969	(1,598,277)
Fund Balance June 30	$ 465,929,263	$ 384,204,334

Schedule of Current Expenditures by Function and Agency For the Year Ended June 30, 1987

	For the Year Ended	
	June 30, 1987	June 30, 1986
General Government:		
Legislative (includes Legislative Budget Office and Legislative Office of Performance Evaluation and Expenditures Review)	$ 9,432,438	$ 9,487,722
Governor's Office and Mansion	1,024,910	1,082,630
Governor's Office of General Services	6,047,919	6,777,561
Governor's Office of Federal-State Programs	748,983	1,569,276
Secretary of State	2,537,191	2,326,173
Department of Audit	6,940,328	7,274,263
Financial Control Department	1,280,041	1,571,748
Fiscal Management Board	1,265,545	1,045,701
Treasurer	588,037	662,991
Tax Commission	193,297,326	171,151,024
Department of Archives and History	3,593,337	3,598,334
Department of Insurance	1,696,982	1,826,600
National Guard Aircraft Pool	529,455	520,597
Diversion to Counties and Cities	237,355,222	211,657,703
Other	1,390,590	1,502,424
Total General Government	467,728,304	422,054,747
Education:		
Department of Education	317,086,690	173,548,813
Minimum Education Program	591,435,759	566,652,471
Educational Finance Commission	5,735,564	3,560,640
Junior Colleges	50,184,909	57,642,024
Textbook Procurement Commission	4,296,230	9,837,166
Authority for Educational Television	6,293,645	6,627,650
Schools for Blind and Deaf	5,131,107	5,877,275
Department of Rehabilitation for the Blind	5,029,878	4,937,771
Library Commission	4,659,047	4,644,159
Total Education	989,852,829	833,327,969
Health and Social Services:		
Department of Health	91,943,445	96,340,780
Division of Medicaid (Governor's Office)	358,630,243	307,358,256
Eleemosynary Institutions	8,855,487	12,251,855
Department of Mental Health and Related Institutions	109,315,436	108,749,732
Department of Public Welfare	442,588,867	422,281,675
Other	4,035,842	7,569,023
Total Health and Social Services	1,015,369,320	954,551,321
Law, Justice and Public Safety:		
Attorney General	4,215,246	3,754,980
Circuit and Chancery Judges and District Attorneys	11,112,675	10,966,512
Department of Corrections	53,678,311	48,866,923
Department of Youth Services	9,029,126	9,472,814
Military Department	2,703,855	3,969,884
Department of Public Safety	27,593,494	34,079,367
Bureau of Narcotics	3,756,857	4,097,665
Supreme Court and Clerk	2,171,770	2,160,478
Other	1,236,688	1,215,070
Total Law, Justice and Public Safety	115,498,022	118,583,693
Recreation and Resources Development:		
Department of Agriculture and Commerce	6,630,817	8,550,809
Department of Economic Development	7,749,961	5,285,081
Forestry Commission	18,348,022	20,594,283
Department of Natural Resources	18,721,269	18,754,153
Other	1,438,785	629,389
Total Recreation and Resources Development	52,888,854	53,813,715
Transportation:		
Highway Department	309,791,191	363,364,078
State Aid Road Division	27,026,104	32,828,735
Total Transportation	336,817,295	396,192,813
Total Expenditures by Function and Department	$ 2,978,154,624	$ 2,778,524,258

Special Revenue Funds

Special revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Significant Special Revenue Funds Descriptions

The numerous special revenue funds used by the State have been grouped by organizational unit and combined into specific functions.

General Government

Tax Commission	**Telecommunications Fund** — accounts for the operation of a statewide information system on motor vehicles. Funding is provided by motor vehicle title and privilege fees collected by and transferred from the General Fund.
Federal-State Programs	**Grant Distributive, Alcohol Programs, and Revenue Sharing Fund** — accounts for grant monies received from the federal government, transfers from the General Fund, penalty assessments on motor vehicle operation offenses involving intoxication, and interest distributed to other state departments in accordance with program requirements.
Emergency Management Agency	**Emergency Management Fund** — accounts for grant monies received from the federal government and transfers from the General Fund. Expenditures are restricted by the various grant agreements but all pertain to emergency management programs and their administration.
Fiscal Management Board	**Court Assessments and Settlements Fund** — accounts for monies received as a result of a court assessment to provide restitution to overcharged customers. Transfers from these funds are restricted to programs providing conservation and assistance benefits to energy consumers.

Education

Department of Education	**School Lunch Program Fund** — The fund was transferred to the General Fund with no fund balance on June 30, 1986.
	Driver's Training Penalty Assessment Fund — Residual equity was transferred to the General Fund.

Health and Social Services

Health Care Commission	**Health Care Commission Fund** — Residual equity was transferred to the General Fund.
Department of Rehabilitation Services	**Rehabilitation Services Fund** — accounts for federal and state monies used to provide vocational rehabilitation programs for the handicapped.
	Disability Determination Fund — accounts for funds received from the federal government for the specific purpose of evaluating applicants for Social Security benefits consistent with laws and regulations pertaining to disability eligibility.

Department of Mental Health

Alcohol and Drug Abuse Program Fund — accounts for a three percent tax on alcoholic beverages collected by and transferred from the General Fund for the purpose of administering drug and alcohol abuse treatment and rehabilitation programs. Expenditures consist primarily of grants for regional alcohol treatment programs, vocational rehabilitation services, inpatient treatment programs, and alcohol rehabilitation programs for the Department of Corrections.

Employment Security Commission

Employment Services Fund — accounts for monies received from the federal government for administering the Unemployment Compensation Act.

Law, Justice and Public Safety

Department of Corrections

Community Services Fund — provides alternative diversionary programs which subject individuals to the minimum supervision and control that the inmate requires in lieu of incarceration within the penitentiary. Revenue is provided by probation release fees.

Military Department

Camp Shelby Timber Fund — accounts for funds received from sale of timber, mineral leases on lands, and store sales. Expenditures are for the maintenance of Camp Shelby.

Facility Maintenance and Operation Fund — accounts for monies received from the federal government to maintain, expand, and improve armory facilities within the State.

Camp Shelby Base Operation Fund — accounts for federal monies received for the specific purpose of training troops.

Equipment Pool Fund — accounts for costs of storing and maintaining U.S. Army and Reserve equipment stored at the Camp Shelby training base. Revenue is primarily derived from the federal government.

Air National Guard Training Site Operation Fund — accounts for federal monies used primarily to pay the salaries of state employees working at the Gulfport Air National Guard training site.

Recreation and Resources Development

Department of Agriculture and Commerce

Rice Promotion Board — accounts for fees charged for the sale of rice. This revenue is expended to promote the rice industry through research, education, and advertising.

Soybean Promotion Fund — accounts for fees charged for the sale of soybeans. This revenue is expended to promote the soybean industry through research, education, and advertising.

Oil and Gas Board

Oil and Gas Board Fund — accounts for fees imposed on producing wells, drilling, and operations. Funds are used to protect public and private interests against waste in the production and use of oil and gas, to obtain full development in oil production within the State, and to maintain records of all oil and gas wells drilled and producing.

Department of Wildlife Conservation and Marine Resources

Museum of Natural Science Fund — accounts for transfers from the General Fund and miscellaneous revenues used to operate the Mississippi Museum of Natural Science, including the acquisition,maintenance, and exhibition of natural science collections.

Bureau of Fisheries and Wildlife Fund — accounts for expenditures of enforcing laws for the preservation and protection of the State's wildlife resources and enhancing their environments. Additional responsibilities and expenses of this bureau and fund are enforcement of boating safety on state lakes and streams and enforcement of hunter safety. The Bureau of Fisheries and Wildlife Fund also shares in administrative costs of the Department of Wildlife Conservation through operating transfers to the administrative fund. Revenues are derived from the sale of hunting and fishing licenses, fees, and permits.

Administrative Fund — accounts for wildlife conservation related administrative costs including accounting, public relations, personnel, purchases, data processing, property control, and printing. Funding is provided by transfers from the Bureau of Fisheries and Wildlife Fund and the General Fund.

Motor Vehicle Fund — accounts for the purchase of motor vehicles for the Department of Wildlife Conservation and Marine Resources. Funding is provided primarily from eight percent of the proceeds from the sale of hunting and fishing licenses, fees, and permits.

Bureau of Marine Resources Fund — accounts for expenditures of conserving and protecting marine resources and of administering coastal zone, liaison, and statistical programs as directed by the National Office of Marine Fisheries. Funding is provided by transfers from the General Fund and by federal grants.

Regulation of Business and Professions

Public Service Commission

Public Service Commission Fund — accounts for the costs of regulating all for-hire transportation and communication, electric, gas, water and sewer utilities. Revenue is derived principally from motor carrier application and registration fees and utilities tax assessments.

Workers' Compensation Commission

Workers' Compensation Commission Fund — accounts for expenditures relating to administering the provisions of the Mississippi Worker's Compensation Law, which include cooperating with other state and federal authorities for the prevention of injuries and occupational diseases and, in the event of such injuries and diseases, coordinating the rehabilitation or restoration to health and vocational opportunity of the affected worker.

Department of Banking and Consumer Finance

Bank Supervision Administrative Fund — accounts for assessment fees charged to banks to fund the regulation and supervision of banks operating within the State.

Consumer Finance Fund — accounts for funds collected in the examining and licensing of motor vehicle finance organizations and small loan organizations.

Other Regulatory Agencies

Other Regulatory Agencies Fund — provides for the control and regulation of various professions by boards and commissions established for this purpose. Revenue is provided by examination and license renewal fees. Each board or commission has its own account within this fund to account for its operation.

Transportation

Department of Energy and Transportation

Energy and Transportation Fund — accounts for state and federal monies and other revenues used to coordinate the State's energy and transportation activities, needs, and programs and to develop a statewide transportation system.

Railroad Loan Fund — accounts for loans made to railways to revitalize the railroad industry. Funding is provided by loan repayments and interest.

Combining Balance Sheet
June 30, 1987

	General Government	Education	Health and Social Services	Law, Justice and Public Safety
Assets:				
Cash and cash equivalents	$ 35,207,936	$ 464,950	$ 8,759,023	$ 2,664,818
Investments	1,000,000			
Receivables, net:				
Interest	286,056	747	2,025,370	705
Due from other governments	16,389,915		1,778,804	249,798
Other	129,959	986	70,812	19,047
Interfund receivables	1,419,538	74,829	2,390,083	434
Inventories			208,713	595,187
Loans and notes receivable	5,801,768			
Other assets				
Total Assets	$ 60,235,172	$ 541,512	$ 15,232,805	$ 3,529,989
Liabilities:				
Warrants payable	$ 4,074,000	$ 11,598	$ 3,019,248	$ 829,555
Accounts payable and accruals	236,575	33,342	2,335,387	355,196
Due to other governments	3,848,449		12,912	1,943
Interfund payables	6,542,022	462	1,485,426	48,747
Deferred revenues	7,934,328	15,415	1,156,879	663,996
Other liabilities				
Loans from other funds			163,676	
Total Liabilities	22,635,374	60,817	8,173,528	1,899,437
Fund Balances:				
Reserved for:				
Encumbrances	60,780	12	607,555	100,156
Inventories			208,713	595,187
Long-term portion of receivables	3,337,700			
Other specific purposes				
Unreserved:				
Designated for other specific purposes		266,126		
Undesignated	34,201,318	214,557	6,243,009	935,209
Total Fund Balances	37,599,798	480,695	7,059,277	1,630,552
Total Liabilities and Fund Balances	$ 60,235,172	$ 541,512	$ 15,232,805	$ 3,529,989

Recreation and Resources Development	Regulation of Business and Professions	Transportation	Totals	
			June 30, 1987	June 30, 1986
$ 14,854,657	$ 15,056,992	$ 16,997,963	$ 94,016,339	$ 87,388,759
			1,000,000	2,150,000
82,624	6,268	60,009	2,461,779	311,620
1,242,098	115,498	205,690	19,981,803	16,475,023
9,737	378,092	72,035	680,668	2,409,935
106,577	97,666	69,659	4,158,786	7,431,336
43,042	1,052		847,994	696,350
		1,081,111	6,882,879	4,924,754
				51,296
$ 16,338,735	$ 15,665,568	$ 18,486,467	$ 130,030,248	$ 121,839,073
$ 1,328,747	$ 513,342	$ 704,975	$ 10,481,465	$ 10,143,126
434,197	153,015	94,088	3,641,800	5,305,229
			3,863,304	14,333,191
329,234	2,545,026	180,917	11,131,834	9,238,211
404,744	3,110,089	7,898	13,293,349	14,041,862
				13,524
			163,676	
2,496,922	6,321,472	987,878	42,575,428	53,075,143
309,809	4,653	559,264	1,642,229	2,687,621
43,042	1,052		847,994	696,350
		848,966	4,186,666	4,651,666
				11,065
			266,126	292,780
13,488,962	9,338,391	16,090,359	80,511,805	60,424,448
13,841,813	9,344,096	17,498,589	87,454,820	68,763,930
$ 16,338,735	$ 15,665,568	$ 18,486,467	$ 130,030,248	$ 121,839,073

Special Revenue Funds

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances
For the Year Ended June 30, 1987

	General Government	Education	Health and Social Services	Law, Justice and Public Safety
Revenues:				
Taxes	$	$	$	$
Licenses, fees and permits	692,077	11,256	2,939,885	1,178,747
Federal government	148,111,921	143,861	54,706,188	10,333,610
Interest income	1,633,931	29,883	9,039	22,587
Departmental services	2,801	93,120	381,964	1,357,908
Rental income	574,989	9,960	305,066	
Court assessments	12,320,796			
Other	596,531	64,501	883,240	88,676
Total Revenues	163,933,046	352,581	59,225,382	12,981,528
Expenditures:				
Current:				
General government	95,635,162			
Education		298,034		
Health and social services			76,123,193	
Law, justice and public safety				13,423,669
Recreation and resources development				
Regulation of business and professions				
Transportation				
Debt service:				
Principal	314,091			
Interest	169,893			
Total Expenditures	96,119,146	298,034	76,123,193	13,423,669
Excess of Revenues over (under) Expenditures	67,813,900	54,547	(16,897,811)	(442,141)
Other Financing Sources (Uses):				
Operating transfers in	12,854,448	8,259	33,905,647	709,842
Operating transfers out	(76,456,345)	(27,137)	(12,959,155)	(1,050,425)
Net Other Financing Sources (Uses)	(63,601,897)	(18,878)	20,946,492	(340,583)
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	4,212,003	35,669	4,048,681	(782,724)
Fund Balances July 1, as Restated	33,387,795	1,748,105	3,446,598	2,433,013
Residual Equity Transfers Out		(1,303,079)	(438,566)	(125,347)
Increase in Reserve for Inventories			2,564	105,610
Fund Balances June 30	$ 37,599,798	$ 480,695	$ 7,059,277	$ 1,630,552

Recreation and Resources Development	Regulation of Business and Professions	Transportation	Totals for the Year Ended	
			June 30, 1987	June 30, 1986
$	$ 175,000	$	$ 175,000	$ 175,000
9,465,531	13,962,258		28,249,754	29,319,369
4,998,014	156,733	4,266,331	222,716.658	313,249,514
680,560	128,964	776,437	3,281,401	2,116,038
773,442	28,582	20	2,637,837	1,840,912
			890,015	516,112
			12,320,796	28,378,643
205,087	56,726	217,542	2,112,303	4,569,581
16,122,634	14,508,263	5,260,330	272,383,764	380,165,169
			95,635,162	96,345,877
			298,034	92,788,391
			76,123,193	79,879,021
			13,423,669	13,263,554
18,298,029			18,298,029	18,010,269
	11,691,234		11,691,234	11,991,342
		9,069,464	9,069,464	7,322,142
			314,091	272,131
			169,893	211,853
18,298,029	11,691,234	9,069,464	225,022,769	320,084,580
(2,175,395)	2,817,029	(3,809,134)	47,360,995	60,080,589
4,262,141		17,617,028	69,357,365	51,762,742
(2,637,484)	(2,603,611)	(577,965)	(96,312,122)	(83,192,012)
1,624,657	(2,603,611)	17,039,063	(26,954,757)	(31,429,270)
(550,738)	213,418	13,229,929	20,406,238	28,651,319
14,349,509	9,130,250	4,268,660	68,763,930	40,028,527
			(1,866,992)	
43,042	428		151,644	84,084
$ 13,841,813	$ 9,344,096	$ 17,498,589	$ 87,454,820	$ 68,763,930

Combining Balance Sheet
General Government
June 30, 1987

	Tax Commission			
	Telecommunication	Mineral Documentary Stamp	**Federal-State Programs**	**Emergency Management**
Assets:				
Cash and cash equivalents	$ 1,919,368	$ 2,839	$ 7,859,890	$ 1,672,509
Investments			1,000,000	
Receivables, net:				
Interest			222,496	
Due from other governments			16,003,396	348,239
Other			65,355	1,248
Interfund receivables	585,830		833,708	
Loans and notes receivable			5,801,768	
Total Assets	$ 2,505,198	$ 2,839	$ 31,786,613	$ 2,021,996
Liabilities:				
Warrants payable	$ 200,504	$	$ 3,655,952	$ 205,513
Accounts payable and accruals	40,604		112,097	17,302
Due to other governments			3,316,174	504,738
Interfund payables			6,212,367	47,069
Deferred revenues			7,900,622	33,706
Other liabilities				
Total Liabilities	241,108		21,197,212	808,328
Fund Balances:				
Reserved for:				
Encumbrances			54,546	6,234
Long-term portion of loans receivable			3,337,700	
Unreserved:				
Undesignated	2,264,090	2,839	7,197,155	1,207,434
Total Fund Balances	2,264,090	2,839	10,589,401	1,213,668
Total Liabilities and Fund Balances	$ 2,505,198	$ 2,839	$ 31,786,613	$ 2,021,996

Fiscal Management Board	**General Services**		**Totals**	
Court Assessments and Settlements	Land Leasing	**Other**	June 30, 1987	June 30, 1986
$ 23,433,904	$ 2,814	$ 316,612	$ 35,207,936	$ 40,338,646
			1,000,000	2,150,000
61,843		1,717	286,056	221,896
		38,280	16,389,915	7,290,272
	62,950	406	129,959	2,160,897
			1,419,538	3,680,366
			5,801,768	3,802,700
$ 23,495,747	$ 65,764	$ 357,015	$ 60,235,172	$ 59,644,777
$	$	$ 12,031	$ 4,074,000	$ 3,925,975
		66,572	236,575	1,433,591
		27,537	3,848,449	5,997,332
	282,586		6,542,022	4,847,132
			7,934,328	10,049,475
				3,477
	282,586	106,140	22,635,374	26,256,982
			60,780	56,750
			3,337,700	3,802,700
23,495,747	(216,822)	250,875	34,201,318	29,528,345
23,495,747	(216,822)	250,875	37,599,798	33,387,795
$ 23,495,747	$ 65,764	$ 357,015	$ 60,235,172	$ 59,644,777

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances
General Government
For the Year Ended June 30, 1987

	Tax Commission			
	Telecommunication	Mineral Documentary Stamp	Federal-State Programs	Emergency Management
Revenues:				
Licenses, fees and permits	$	$ 317	$ 225,655	$ 2,000
Federal government			145,080,321	3,031,600
Interest income			315,005	
Departmental services			44	986
Rental income				
Court assessments				
Other			296,564	286,717
Total Revenues		317	145,917,589	3,321,303
Expenditures:				
Current:				
General government	2,281,751		89,212,972	3,609,594
Debt service:				
Principal	314,091			
Interest	169,893			
Total Expenditures	2,765,735		89,212,972	3,609,594
Excess of Revenues over (under) Expenditures	(2,765,735)	317	56,704,617	(288,291)
Other Financing Sources (Uses):				
Operating transfers in	3,467,302		4,934,304	4,452,842
Operating transfers out			(56,833,746)	(11,703)
Net Other Financing Sources (Uses)	3,467,302		(51,899,442)	4,441,139
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	701,567	317	4,805,175	4,152,848
Fund Balance, July 1 as Restated	1,562,523	2,522	5,784,226	(2,939,180)
Fund Balances June 30	$ 2,264,090	$ 2,839	$ 10,589,401	$ 1,213,668

Fiscal Management Board	General Services		Totals for the Year Ended	
Court Assessments and Settlements	Land Leasing	Other	June 30, 1987	June 30, 1986
$	$	$ 464,105	$ 692,077	$ 544,562
			148,111,921	145,685,943
1,283,113	28,622	7,191	1,633,931	951,702
		1,771	2,801	983
	574,989		574,989	516,112
12,320,796			12,320,796	28,378,643
		13,250	596,531	2,407,195
13,603,909	603,611	486,317	163,933,046	178,485,140
	116,127	414,718	95,635,162	96,345,877
			314,091	272,131
			169,893	211,853
	116,127	414,718	96,119,146	96,829,861
13,603,909	487,484	71,599	67,813,900	81,655,279
			12,854,448	14,498,966
(19,007,062)	(603,611)	(223)	(76,456,345)	(66,072,348)
(19,007,062)	(603,611)	(223)	(63,601,897)	(51,573,382)
(5,403,153)	(116,127)	71,376	4,212,003	30,081,897
28,898,900	(100,695)	179,499	33,387,795	3,305,898
$ 23,495,747	$ (216,822)	$ 250,875	$ 37,599,798	$ 33,387,795

Combining Balance Sheet
Education
June 30, 1987

	Department of Education	Vocational Rehabilitation for the Blind	Other
Assets:			
Cash and cash equivalents	$ 111,825	$ 34,780	$ 318,345
Receivables, net:			
Interest			747
Due from other governments			
Other			986
Interfund receivables		74,686	143
Total Assets	$ 111,825	$ 109,466	$ 320,221
Liabilities:			
Warrants payable	$ 11,166	$ 432	$
Accounts payable and accruals	32,195	746	401
Due to other governments			
Interfund payables	462		
Deferred revenues	15,415		
Total Liabilities	59,238	1,178	401
Fund Balances:			
Reserved for encumbrances	12		
Unreserved:			
Designated for other specific purposes			266,126
Undesignated	52,575	108,288	53,694
Total Fund Balances	52,587	108,288	319,820
Total Liabilities and Fund Balances	$ 111,825	$ 109,466	$ 320,221

Totals	
June 30, 1987	June 30, 1986
$ 464,950	$ 2,887,894
747	2,359
	6,467,087
986	16,720
74,829	1,046,363
$ 541,512	$ 10,420,423
$ 11,598	$ 689,108
33,342	24,568
	7,868,237
462	65,735
15,415	24,670
60,817	8,672,318
12	6,659
266,126	290,819
214,557	1,450,627
480,695	1,748,105
$ 541,512	$ 10,420,423

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances
Education
For the Year Ended June 30, 1987

	Department of Education	
	Driver's Training Penalty Assessment	Other
Revenues:		
Licenses, fees and permits	$	$ 2,634
Federal government		143,861
Interest income		2,488
Departmental services		13,738
Rental income		
Other		350
Total Revenues		163,071
Expenditures:		
Education		167,810
Excess of Revenues over (under) Expenditures		(4,739)
Other Financing Sources (Uses):		
Other operating transfers in		8,259
Other operating transfers out		(27,137)
Net Other Financing Sources (Uses)		(18,878)
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses		(23,617)
Fund Balances July 1	1,303,079	76,204
Residual Equity Transfer Out	(1,303,079)	
Fund Balances June 30	$ 0	$ 52,587

Vocational Rehabilitation for the Blind	Other	Totals for the Year Ended June 30, 1987	Totals for the Year Ended June 30, 1986
$	$ 8,622	$ 11,256	$ 1,951,329
		143,861	89,433,432
4,568	22,827	29,883	34,186
60,861	18,521	93,120	180,323
	9,960	9,960	136,816
167	63,984	64,501	
65,596	123,914	352,581	91,736,086
35,311	94,913	298,034	92,788,391
30,285	29,001	54,547	(1,052,305)
		8,259	3,487
		(27,137)	(9,238)
		(18,878)	(5,751)
30,285	29,001	35,669	(1,058,056)
78,003	290,819	1,748,105	2,806,161
		(1,303,079)	
$ 108,288	$ 319,820	$ 480,695	$ 1,748,105

Combining Balance Sheet
Health and Social Services
June 30, 1987

	Department of Rehabilitation Services		Department of Mental Health	
	Rehabilitation Services	Disability Determination	Alcohol and Drug Abuse Program	Social Services
Assets:				
Cash and cash equivalents	$ 2,501,715	$ 845,273	$ 435,833	$ 44,044
Receivables, net:				
Interest				14
Due from other governments	990,894	79,505		
Other	21,183			8,656
Interfund receivables	185,859		196,520	
Inventories	26,303			
Other assets				
Total Assets	$ 3,725,954	$ 924,778	$ 632,353	$ 52,714
Liabilities:				
Warrants payable	$ 1,094,342	$ 745,995	$ 19,519	$
Accounts payable and accruals	684,717	299,579	243,891	1,811
Due to other governments	9,342			
Interfund payables	94,938	46,814	228,751	600
Deferred revenues	603,460			
Loans from other funds				
Total Liabilities	2,486,799	1,092,388	492,161	2,411
Fund Balances:				
Reserved for:				
Encumbrances	160,817	314,944		
Inventories	26,303			
Other specific purposes				
Unreserved:				
Designated for other specific purposes				
Undesignated	1,052,035	(482,554)	140,192	50,303
Total Fund Balances	1,239,155	(167,610)	140,192	50,303
Total Liabilities and Fund Balances	$ 3,725,954	$ 924,778	$ 632,353	$ 52,714

Employment Security Commission	**Department of Health**		**Totals**	
Employment Services	Domestic Violence	**Other**	June 30, 1987	June 30, 1986
$ 4,680,847	$ 233,303	$ 18,008	$ 8,759,023	$ 6,364,011
2,025,356			2,025,370	
680,472	27,933		1,778,804	1,683,311
40,973			70,812	42,539
2,007,704			2,390,083	1,932,598
182,410			208,713	206,149
				51,236
$ 9,617,762	$ 261,236	$ 18,008	$ 15,232,805	$ 10,279,844
$ 1,141,534	$ 17,858	$	$ 3,019,248	$ 2,759,667
1,064,843	40,546		2,335,387	2,448,027
3,570			12,912	3,576
1,114,323			1,485,426	818,143
553,419			1,156,879	803,833
163,676			163,676	
4,041,365	58,404		8,173,528	6,833,246
131,794			607,555	1,345,340
182,410			208,713	206,149
				1,008
				1,961
5,262,193	202,832	18,008	6,243,009	1,892,140
5,576,397	202,832	18,008	7,059,277	3,446,598
$ 9,617,762	$ 261,236	$ 18,008	$ 15,232,805	$ 10,279,844

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances
Health and Social Services
For the Year Ended June 30, 1987

		Department of Rehabilitation Services	
	Health Care Commission	Rehabilitation Services	Disability Determination
Revenues:			
Licenses, fees and permits	$	$ 9	$
Federal government		16,572,330	11,544,346
Interest income		7,273	
Departmental services		3,393	193,377
Rental income		305,066	
Other		249,624	31,703
Total Revenues		17,137,695	11,769,426
Expenditures:			
Health and social services		17,228,138	11,347,192
Excess of Revenues over (under) Expenditures		(90,443)	422,234
Other Financing Sources (Uses):			
Operating transfers in		5,029,057	
Operating transfers out		(4,037,900)	(197,154)
Net Other Financing Sources (Uses)		991,157	(197,154)
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses		900,714	225,080
Fund Balances July 1, as Restated	438,566	335,431	(392,690)
Residual Equity Transfer Out	(438,566)		
Increase (Decrease) in Reserve for Inventories		3,010	
Fund Balances June 30	$ 0	$ 1,239,155	$ (167,610)

Department of Mental Health		**Employment Security Commission**	**Department of Health**		**Totals for the Year Ended**	
Alcohol and Drug Abuse Program	Social Services	Employment Services	Domestic Violence	**Other**	June 30, 1987	June 30, 1986
$	$ 243,192	$ 2,371,275	$ 325,409	$	$ 2,939,885	$ 1,336,170
		26,589,512			54,706,188	58,294,440
	929			837	9,039	1,199
	185,194				381,964	146,353
					305,066	
	21,476	553,215		27,222	883,240	1,028,992
	450,791	29,514,002	325,409	28,059	59,225,382	60,807,154
1,512,359	440,294	45,315,202	264,820	15,188	76,123,193	79,879,021
(1,512,359)	10,497	(15,801,200)	60,589	12,871	(16,897,811)	(19,071,867)
2,570,149	4,027	26,302,414			33,905,647	31,336,596
(920,964)	(275)	(7,802,862)			(12,959,155)	(12,565,679)
1,649,185	3,752	18,499,552			20,946,492	18,770,917
136,826	14,249	2,698,352	60,589	12,871	4,048,681	(300,950)
3,366	36,054	2,861,374	142,243	22,254	3,446,598	3,707,138
					(438,566)	
		16,671		(17,117)	2,564	40,410
$ 140,192	$ 50,303	$ 5,576,397	$ 202,832	$ 18,008	$ 7,059,277	$ 3,446,598

Combining Balance Sheet
Law, Justice and Public Safety
June 30, 1987

	Attorney General		Department of Corrections		
	Medicaid	Other	Community Services	Inmate Welfare and Training	Discharged Offenders
Assets:					
Cash and cash equivalents	$ 38,073	$	$ 279,677	$ 224,229	$ 11,892
Receivables, net:					
interest					
Due from other governments	14,212				
Other				19,047	
Interfund receivables					
Inventories					
Total Assets	$ 52,285	$	$ 279,677	$ 243,276	$ 11,892
Liabilities:					
Warrants payable	$ 31,730	$	$ 38,430	$	$ 7,972
Accounts payable and accruals	3,245		21,915	29,201	
Due to other governments			10		
Interfund payables	71		2,026	—	
Deferred revenues	8,111				
Other liabilities					
Total Liabilities	43,157		62,381	29,201	7,972
Fund Balances:					
Reserved for:					
Encumbrances			3,091	39,446	
Inventories					
Other specific purposes					
Unreserved:					
Undesignated	9,128		214,205	174,629	3,920
Total Fund Balances	9,128		217,296	214,075	3,920
Total Liabilities and Fund Balances	$ 52,285	$	$ 279,677	$ 243,276	$ 11,892

Military Department

Camp Shelby Timber	Facility Maintenance and Operation	Camp Shelby Base Operation	Equipment Pool	National Guard Recreation	Air National Guard Training Site Operation	Other	Totals	
							June 30, 1987	June 30, 1986
$ 433,779	$ 255,033	$ 1,099,607	$ 108,876	$ 45,423	$ 69,377	$ 98,852	$ 2,664,818	$ 3,607,677
705							705	1,954
	45,306	181,396			8,884		249,798	81,133
							19,047	173,286
		434					434	47,496
		595,187					595,187	489,577
$ 434,484	$ 300,339	$ 1,876,624	$ 108,876	$ 45,423	$ 78,261	$ 98,852	$ 3,529,989	$ 4,401,123
$ 21,686	$ 161,961	$ 468,560	$ 39,659	$ 597	$ 58,960	$	$ 829,555	$ 753,223
41,132	16,211	163,866	36,114			43,512	355,196	342,847
		1,933					1,943	2,511
184	11,286	26,641	3,310	434	4,795		48,747	129,371
	96,766	533,246	21,539		4,334		663,996	730,740
								9,418
63,002	286,224	1,194,246	100,622	1,031	68,089	43,512	1,899,437	1,968,110
5,391	288	51,940					100,156	312,080
		595,187					595,187	489,577
								10,057
366,091	13,827	35,251	8,254	44,392	10,172	55,340	935,209	1,621,299
371,482	14,115	682,378	8,254	44,392	10,172	55,340	1,630,552	2,433,013
$ 434,484	$ 300,339	$ 1,876,624	$ 108,876	$ 45,423	$ 78,261	$ 98,852	$ 3,529,989	$ 4,401,123

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances
Law, Justice and Public Safety
For the Year Ended June 30, 1987

	Attorney General		Department of Corrections		
	Medicaid	Other	Community Services	Inmate Welfare and Training	Discharged Offenders
Revenues:					
Licenses, fees and permits	$	$	$ 1,122,402	$	$
Federal government	369,428				
Interest income			235	10,112	578
Departmental services				225,270	
Other				15,479	1,558
Total Revenues	369,428		1,122,637	250,861	2,136
Expenditures:					
Law, justice and public safety	378,419		467,456	280,908	170,203
Excess of Revenues over (under) Expenditures	(8,991)		655,181	(30,047)	(168,067)
Other Financing Sources (Uses):					
Operating transfers in	15,000			85,729	131,220
Operating transfers out			(998,232)		
Net Other Financing Sources (Uses)	15,000		(998,232)	85,729	131,220
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	6,009		(343,051)	55,682	(36,847)
Fund Balances July 1	3,119	125,347	560,347	158,393	40,767
Residual Equity Transfer Out		(125,347)			
Increase in Reserve for Inventories					
Fund Balances June 30	$ 9,128	$ 0	$ 217,296	$ 214,075	$ 3,920

Military Department

							Totals for the Year Ended	
Camp Shelby Timber	Facility Maintenance and Operation	Camp Shelby Base Operation	Equipment Pool	National Guard Recreation	Air National Guard Training Site Operation	Other	June 30, 1987	June 30, 1986
$	$	$	$	$	$	$ 56,345	$ 1,178,747	$ 857,392
	2,795,890	5,550,104	869,076		749,112		10,333,610	10,626,787
11,277						385	22,587	42,816
103,404		1,010,333		9,057		9,844	1,357,908	774,443
5,237	3,135	32,716				30,551	88,676	274,410
119,918	2,799,025	6,593,153	869,076	9,057	749,112	97,125	12,981,528	12,575,848
460,275	3,273,341	6,741,028	868,811	5,068	749,112	29,048	13,423,669	13,263,554
(340,357)	(474,316)	(147,875)	265	3,989	0	68,077	(442,141)	(687,706)
	471,637					6,256	709,842	971,061
(306)						(51,887)	(1,050,425)	(6,521)
(306)	471,637					(45,631)	(340,583)	964,540
(340,663)	(2,679)	(147,875)	265	3,989		22,446	(782,724)	276,834
712,145	16,794	724,643	7,989	40,403	10,172	32,894	2,433,013	2,112,477
							(125,347)	
		105,610					105,610	43,702
$ 371,482	$ 14,115	$ 682,378	$ 8,254	$ 44,392	$ 10,172	$ 55,340	$ 1,630,552	$ 2,433,013

Combining Balance Sheet
Recreation and Resources Development
June 30, 1987

	Department of Agriculture and Commerce				
	Rice Promotion	Soybean Promotion	Other	Forestry Commission	Oil and Gas Board
Assets					
Cash and cash equivalents	$ 25,711	$ 70,069	$ 20,064	$ 344,033	$ 1,231,426
Receivables, net:					
Interest				1,039	
Due from other governments					
Other					3,166
Interfund receivables	693	17,134			
Inventories					
Total Assets	$ 26,404	$ 87,203	$ 20,064	$ 345,072	$ 1,234,592
Liabilities:					
Warrants payable	$ 24,753	$ 5,074	$ 4,129	$ 10,172	$ 98,541
Accounts payable and accruals		64,995	170	14	618
Due to other governments					
Interfund payables					3,951
Deferred revenues					
Total Liabilities	24,753	70,069	4,299	10,186	103,110
Fund Balances:					
Reserved for:					
Encumbrances					
Inventories					
Unreserved:					
Undesignated	1,651	17,134	15,765	334,886	1,131,482
Total Fund Balances	1,651	17,134	15,765	334,886	1,131,482
Total Liabilities and Fund Balances	$ 26,404	$ 87,203	$ 20,064	$ 345,072	$ 1,234,592

Department of Wildlife Conservation and Marine Resources							Totals	
Museum of Natural Science	Bureau of Fisheries and Wildlife	Administrative	Motor Vehicle	Bureau of Marine Resources	Other	**Other**	June 30, 1987	June 30, 1986
$ 86,851	$ 9,304,276	$ 203,660	$ 972,496	$ 168,847	$ 2,280,123	$ 147,101	$ 14,854,657	$ 16,135,747
	66,911		2,341		12,333		82,624	64,414
28,597	1,109,764			98,737		5,000	1,242,098	476,339
3	5,762	21		330		455	9,737	3,405
35,000	3,750			50,000			106,577	71,039
	43,042						43,042	
$ 150,451	$ 10,533,505	$ 203,681	$ 974,837	$ 317,914	$ 2,292,456	$ 152,556	$ 16,338,735	$ 16,750,944
$ 45,170	$ 835,977	$ 121,253	$	$ 161,712	$ 19,558	$ 2,408	$ 1,328,747	$ 1,048,263
37,064	248,336	33,474		39,106	10,153	267	434,197	724,821
								15,512
19,815	270,769	11,292		18,872		4,535	329,234	245,630
10,650	388,751			5,343			404,744	367,209
112,699	1,743,833	166,019		225,033	29,711	7,210	2,496,922	2,401,435
12,972	192,459	25,755	72,637	695	5,291		309,809	300,892
	43,042						43,042	
24,780	8,554,171	11,907	902,200	92,186	2,257,454	145,346	13,488,962	14,048,617
37,752	8,789,672	37,662	974,837	92,881	2,262,745	145,346	13,841,813	14,349,509
$ 150,451	$ 10,533,505	$ 203,681	$ 974,837	$ 317,914	$ 2,292,456	$ 152,556	$ 16,338,735	$ 16,750,944

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances
Recreation and Resources Development
For the Year Ended June 30, 1987

	Department of Agriculture and Commerce				
	Rice Promotion	Soybean Promotion	Other	**Forestry Commission**	**Oil and Gas Board**
Revenues:					
Licenses, fees and permits	$ 475,049	$ 326,207	$ 1,986	$	$ 1,230,382
Federal government					
Interest income				4,449	
Departmental services			7,758		
Other				56,848	
Total Revenues	475,049	326,207	9,744	61,297	1,230,382
Expenditures:					
Recreation and resources development	490,542	329,107	121,626	22,342	1,130,582
Excess of Revenues over (under) Expenditures	(15,493)	(2,900)	(111,882)	38,955	99,800
Other Financing Sources (Uses):					
Operating transfers in			118,413		
Operating transfers out			(24,779)		
Net Other Financing Sources (Uses)			93,634		
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	(15,493)	(2,900)	(18,248)	38,955	99,800
Fund Balances July 1	17,144	20,034	34,013	295,931	1,031,682
Increase in Reserve for Inventories					
Fund Balances June 30	$ 1,651	$ 17,134	$ 15,765	$ 334,886	$ 1,131,482

Department of Wildlife Conservation and Marine Resources							Totals for the Year Ended	
Museum of Natural Science	Bureau of Fisheries and Wildlife	Administrative	Motor Vehicle	Bureau of Marine Resources	Other	**Other**	June 30, 1987	June 30, 1986
$	$ 6,503,853	$	$ 525,201	$	$ 273,310	$ 129,543	$ 9,465,531	$ 10,582,219
123,304	3,798,349			1,053,420	22,941		4,998,014	3,608,651
	527,140		56,491		91,015	1,465	680,560	767,450
3,390	372,952	4,171	339,125	10,596	31,748	3,702	773,442	688,647
8,480	73,624	372		117	45,386	20,260	205,087	367,060
135,174	11,275,918	4,543	920,817	1,064,133	464,400	154,970	16,122,634	16,014,027
638,868	10,153,332	1,723,873	957,092	2,377,387	299,832	53,446	18,298,029	18,010,269
(503,694)	1,122,586	(1,719,330)	(36,275)	(1,313,254)	164,568	101,524	(2,175,395)	(1,996,242)
539,737	675,102	1,700,000		1,228,889			4,262,141	4,124,058
(12,854)	(2,502,109)			(3,258)	(18,283)	(76,201)	(2,637,484)	(1,444,373)
526,883	(1,827,007)	1,700,000		1,225,631	(18,283)	(76,201)	1,624,657	2,679,685
23,189	(704,421)	(19,330)	(36,275)	(87,623)	146,285	25,323	(550,738)	683,443
14,563	9,451,051	56,992	1,011,112	180,504	2,116,460	120,023	14,349,509	13,666,066
	43,042						43,042	
$ 37,752	$ 8,789,672	$ 37,662	$ 974,837	$ 92,881	$ 2,262,745	$ 145,346	$ 13,841,813	$ 14,349,509

Combining Balance Sheet
Regulation of Business and Professions
June 30, 1987

	Public Service Commission	Workers' Compensation Commission	Department of Banking and Consumer Finance	
			Bank Supervision Administrative	Consumer Finance
Assets:				
Cash and cash equivalents	$ 5,288,010	$ 3,602,762	$ 1,179,994	$ 496,651
Receivables, net:				
Interest		4,427		
Due from other governments	115,498			
Other	277,990	40,775	425	
Interfund receivables	97,666			
Inventories				
Other assets				
Total Assets	$ 5,779,164	$ 3,647,964	$ 1,180,419	$ 496,651
Liabilities:				
Warrants payable	$	$ 186,706	$ 108,132	$ 16,966
Accounts payable and accruals	36,962	12,698	2,150	973
Interfund payables	2,523,311	9,729	3,287	810
Deferred revenues	3,038,859			
Other liabilities				
Total Liabilities	5,599,132	209,133	113,569	18,749
Fund Balances:				
Reserved for:				
Encumbrances		4,653		
Inventories				
Unreserved:				
Undesignated	180,032	3,434,178	1,066,850	477,902
Total Fund Balances	180,032	3,438,831	1,066,850	477,902
Total Liabilities and Fund Balances	$ 5,779,164	$ 3,647,964	$ 1,180,419	$ 496,651

Other Regulatory Agencies	Totals	
	June 30, 1987	June 30, 1986
$ 4,499,575	$ 15,066,992	$ 14,563,773
1,841	6,268	2,791
	115,498	
58,902	378,092	13,088
	97,666	579,510
1,052	1,052	624
		60
$ 4,561,370	$ 15,665,568	$ 15,159,846
$ 201,538	$ 513,342	$ 716,969
100,232	153,015	205,102
7,889	2,545,026	3,040,961
71,230	3,110,089	2,065,935
		629
380,889	6,321,472	6,029,596
	4,653	27,700
1,052	1,052	624
4,179,429	9,338,391	9,101,926
4,180,481	9,344,096	9,130,250
$ 4,561,370	$ 15,665,568	$ 15,159,846

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances
Regulation of Business and Professions
For the Year Ended June 30, 1987

	Public Service Commission	Workers' Compensation Commission	Department of Banking and Consumer Finance	
			Bank Supervision Administrative	Consumer Finance
Revenues:				
Taxes	$ 175,000	$	$	$
Licenses, fees and permits	5,713,772	2,733,881	1,260,465	357,423
Federal government	156,733			
Interest income		101,095		
Departmental services	1,363	4,452		
Other	3,392	8,848	2,013	
Total Revenues	6,050,260	2,848,276	1,262,478	357,423
Expenditures:				
Regulation of business and professions	3,822,748	2,384,843	1,445,040	263,378
Excess of Revenues over (under) Expenditures	2,227,512	463,433	(182,562)	94,045
Other Financing Sources (Uses):				
Operating transfers out	(2,500,000)			
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	(272,488)	463,433	(182,562)	94,045
Fund Balances July 1	452,520	2,975,398	1,249,412	383,857
Increase (Decrease) in Reserve for Inventories				
Fund Balances June 30	$ 180,032	$ 3,438,831	$ 1,066,850	$ 477,902

Other Regulatory Agencies	Totals for the Year Ended	
	June 30, 1987	June 30, 1986
$	$ 175,000	$ 175,000
3,896,717	13,962,258	14,047,697
	156,733	96,258
27,869	128,964	148,363
22,767	28,582	47,571
42,473	56,726	29,211
3,989,826	14,508,263	14,544,100
3,775,225	11,691,234	11,991,342
214,601	2,817,029	2,552,758
(103,611)	(2,603,611)	(3,080,000)
110,990	213,418	(527,242)
4,069,063	9,130,250	9,657,520
428	428	(28)
$ 4,180,481	$ 9,344,096	$ 9,130,250

Special Revenue Funds

Combining Balance Sheet
Transportation
June 30, 1987

		Department of Energy and Transportation		Totals	
	Aeronautics Commission	Energy and Transportation	Railroad Loan	June 30, 1987	June 30, 1986
Assets:					
Cash and cash equivalents	$ 114,175	$ 15,423,814	$ 1,459,974	$ 16,997,963	$ 3,491,011
Receivables, net:					
Interest		53,548	6,461	60,009	18,206
Due from other governments		205,690		205,690	476,881
Other		72,035		72,035	
Interfund receivables	16,966	45,917	6,776	69,659	73,964
Loans and notes receivable			1,081,111	1,081,111	1,122,054
Total Assets	$ 131,141	$ 15,801,004	$ 2,554,322	$ 18,486,467	$ 5,182,116
Liabilities:					
Warrants payable	$ 18,954	$ 657,270	$ 28,751	$ 704,975	$ 249,921
Accounts payable and accruals	1,535	92,553		94,088	126,273
Due to other governments					446,023
Interfund payables		135,000	45,917	180,917	91,239
Deferred revenues		7,898		7,898	
Total Liabilities	20,489	892,721	74,668	987,878	913,456
Fund Balances:					
Reserved for:					
Encumbrances		537,967	21,297	559,264	638,200
Long-term portion of loans and notes receivable			848,966	848,966	848,966
Unreserved:					
Undesignated	110,652	14,370,316	1,609,391	16,090,359	2,781,494
Total Fund Balances	110,652	14,908,283	2,479,654	17,498,589	4,268,660
Total Liabilities and Fund Balances	$ 131,141	$ 15,801,004	$ 2,554,322	$ 18,486,467	$ 5,182,116

State of Mississippi

Special Revenue Funds

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances
Transportation
For the Year Ended June 30, 1987

		Department of Energy and Transportation		Totals for the Year Ended	
	Aeronautics Commission	Energy and Transportation	Railroad Loan	June 30, 1987	June 30, 1986
Revenues:					
Federal government	$	$ 4,266,331	$	$ 4,266,331	$ 5,504,003
Interest income		722,708	53,729	776,437	170,322
Departmental services		20		20	2,592
Other		217,542		217,542	325,897
Total Revenues		5,206,601	53,729	5,260,330	6,002,814
Expenditures:					
Transportation	167,262	8,902,202		9,069,464	7,322,142
Excess of Revenues over (under) Expenditures	(167,262)	(3,695,601)	53,729	(3,809,134)	(1,319,328)
Other Financing Sources (Uses):					
Operating transfers in	139,815	17,477,213		17,617,028	828,574
Operating transfers out		(577,965)		(577,965)	(13,853)
Net Other Financing Sources	139,815	16,899,248		17,039,063	814,721
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	(27,447)	13,203,647	53,729	13,229,929	(504,607)
Fund Balances July 1, as Restated	138,099	1,704,636	2,425,925	4,268,660	4,773,267
Fund Balances June 30	$ 110,652	$ 14,908,283	$ 2,479,654	$ 17,498,589	$ 4,268,660

Debt Service Funds

Debt service funds account for accumulation of resources for, and the payment of, principal and interest on general long-term obligations.

Debt Service Funds Descriptions

Highway Revenue Refunding Bond Retirement and Interest Fund — accounts for payment of principal and interest on revenue refunding bonds issued in October, 1985 to refund outstanding highway bonds previously issued. Revenue is provided by gasoline tax allocations transferred from the General Fund.

Port Development (Litton) Bond Retirement and Interest Fund — accounts for payment of principal and interest on bonds issued for construction, expansion, and facilities improvement at the Port Authority in Jackson County. Revenue consists of lease payments received from the Ingalls Shipbuilding Division of Litton Industries, Inc. These payments are unconditionally guaranteed by Litton Industries, Inc.

Public School Building Bond Retirement and Interest Fund — accounts for payment of principal and interest on bonds issued for construction of public school buildings. Funding consists of transfers from the General Fund.

Seed Testing Laboratory Bond Retirement and Interest Fund — accounts for payment of principal and interest on bonds issued for construction of the seed testing laboratory at the Division of Plant Industry. Funding is provided by fees charged for testing seeds.

Fire Academy Bond Retirement and Interest Fund — accounts for payment of principal and interest on bonds issued for construction at the State Fire Academy. Revenue is provided by transfers from the General Fund of a premium tax on multiperil insurance.

Tennessee-Tombigbee River Bridge Bond Retirement and Interest Fund — accounts for payment of principal and interest on bonds issued for construction of the Tennessee-Tombigbee Waterway Bridge. Funding sources include the Tennessee Valley Authority, ad valorem taxes, and investment income.

State Office Facilities Bond Retirement and Interest Fund — Accounts for payment of principal and interest on bonds issued to purchase two office buildings and a warehouse.

State Aid Road Bond Retirement and Interest Fund — accounts for payment of principal and interest on bonds issued to construct state and county roads. Funding consists of transfers from the General Fund.

Debt Service Funds

Combining Balance Sheet
June 30, 1987

	Highway Revenue Refunding Bond Retirement and Interest	Port Development Bond Retirement and Interest	Public School Building Bond Retirement and Interest	Seed Testing Laboratory Bond Retirement and Interest
Assets:				
Cash and cash equivalents	$ 27,123,979	$ 10,759	$ 4,971,593	$ 21,030
Investments	51,863,000			
Receivables, net	742,949			
Interfund receivables	3,422,931			
Note receivable		68,870,000		
Total Assets	$ 83,152,859	$ 68,880,759	$ 4,971,593	$ 21,030
Liabilities:				
Warrants payable	$ 2,604	$	$ 2,361,034	$ 510
Accounts payable				
Interfund payables	278,034			
Total Liabilities	280,638		2,361,034	510
Fund Balances:				
Reserved for long-term note receivable		68,870,000		
Unreserved, designated for debt service	82,872,221	10,759	2,610,559	20,520
Total Fund Balances	82,872,221	68,880,759	2,610,559	20,520
Total Liabilities and Fund Balances	$ 83,152,859	$ 68,880,759	$ 4,971,593	$ 21,030

Fire Academy Bond Retirement and Interest	Office Facilities Bond Retirement and Interest	State Aid Road Bond Retirement and Interest	Totals	
			June 30, 1987	June 30, 1986
$ 1,445,247	$ 193,322	$ 1,806,990	$ 35,572,920	$ 69,426,157
			51,863,000	22,700,999
	63		743,012	602,186
193,653			3,616.584	3,458,245
			68,870,000	77,365,000
$ 1,638,900	$ 193,385	$ 1,806,990	$ 160,665,516	$ 173,552,587
$	$	$ 101,450	$ 2,465,598	$ 631,889
				6,000
			278,034	288,508
		101,450	2,743,632	926,397
			68,870,000	72,325,759
1,638,900	193,385	1,705,540	89,051,884	100,300,431
1,638,900	193,385	1,705,540	157,921,884	172,626,190
$ 1,638,900	$ 193,385	$ 1,806,990	$ 160,665,516	$ 173,552,587

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances
For the Year Ended June 30, 1987

	Highway Revenue Refunding Bond Retirement and Interest	Port Development Bond Retirement and Interest	Public School Building Bond Retirement and Interest	Seed Testing Laboratory Bond Retirement and Interest
Revenues:				
Fees	$	$	$	$
Interest	4,240,286	3,732,622		
Rentals				
TVA payments in lieu of taxes				
Other	123			
Total Revenues	4,240,409	3,732,622		
Expenditures:				
Debt service:				
Bond principal retirement	5,975,000	8,495,000	5,590,000	20,000
Interest and other fiscal charges	13,467,898	3,732,622	3,577,804	1,520
Total Expenditures	19,442,898	12,227,622	9,167,804	21,520
Excess of Revenues over (under) Expenditures	(15,202,489)	(8,495,000)	(9,167,804)	(21,520)
Other Financing Sources (Uses):				
Proceeds of bond issues and refunding bonds				
Payments to refunded bond escrow agent				
Reduction in carrying value of investment securities in connection with bond refunding				
Operating transfers in	43,158,285		9,756,769	24,273
Operating transfers out	(2,202,591)			
Net Other Financing Sources (Uses)	40,955,694		9,756,769	24,273
Excess of Revenues and Other Sources over (under) Expenditures and other Uses	25,753,205	(8,495,000)	588,965	2,753
Fund Balances July 1, as Restated	57,119,016	77,375,759	2,021,594	17,767
Fund Balances June 30	$ 82,872,221	$ 68,880,759	$ 2,610,559	$ 20,520

Fire Academy Bond Retirement and Interest	Tennessee-Tombigbee River Bridge Bond Retirement and Interest	Office Facilities Bond Retirement and Interest	State Aid Road Bond Retirement and Interest	Totals for the Year Ended	
				June 30, 1987	June 30, 1986
$	$	$	$	$	$ 15,000
	406,760	738		8,380,406	12,935,071
		259,845		259,845	
	11,285,411			11,285,411	11,249,406
				123	79,448
	11,692,171	260,583		19,925,785	24,278,925
310,000	10,590,000		3,420,000	34,400,000	40,058,213
99,150	486,590	74,198	2,741,557	24,181,339	32,853,407
409,150	11,076,590	74,198	6,161,557	58,581,339	72,911,620
(409,150)	615,581	186,385	(6,161,557)	(38,655,554)	(48,632,695)
					196,426,254
					(313,279,323)
					(31,969,458)
1,071,898		7,000	6,134,241	60,152,466	65,437,184
(200)	(33,998,427)			(36,201,218)	
1,071,698	(33,998,427)	7,000	6,134,241	23,951,248	(83,385,343)
662,548	(33,382,846)	193,385	(27,316)	(14,704,306)	(132,018,038)
976,352	33,382,846		1,732,856	172,626,190	304,644,228
$ 1,638,900	$ 0	$ 193,385	$ 1,705,540	$ 157,921,884	$ 172,626,190

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Capital Projects Funds

Capital projects funds account for the acquisition or construction of major governmental general fixed assets.

Capital Projects Funds Descriptions

Employment Security Commission	**Land and Building Fund** — accounts for monies received from the federal government to purchase land and buildings for the Employment Security Commission.
Military Department	**Mississippi National Guard Armory Fund** — accounts for state funding for construction of new armories.
Bureau of Building, Grounds and Real Property Management	**Construction and Improvement Fund** — accounts for bond proceeds and local, state, and federal funding for the construction, renovation, and repair of buildings and the purchase of equipment to be used by various state agencies and educational institutions.
	Fire Academy Fund — accounts for bond proceeds used to construct facilities for the State Fire Academy.
	Parks Construction Fund — accounts for bond proceeds received for the construction of facilities at the various state parks for the Department of Natural Resources.

Capital Projects Funds

Combining Balance Sheet
June 30, 1987

	Military Dept.	Bureau of Building, Grounds and Real Property Management		
	National Guard Armory	Construction and Improvement	Fire Academy	Parks
Assets:				
Cash and cash equivalents	$ 7,671	$ 16,241,343	$ 1,993,633	$ 2,052,779
Interfund receivables		1,436,667		
Total Assets	$ 7,671	$ 17,678,010	$ 1,993,633	$ 2,052,779
Liabilities:				
Warrants payable	$ 319	$ 274,357	$	$ 1,955
Construction contracts payable	7,352			
Deferred revenues		72,035		
Total Liabilities	7,671	346,392		1,955
Fund Balances:				
Unreserved, designated for future capital projects		17,331,618	1,993,633	2,050,824
Total Liabilities and Fund Balances	$ 7,671	$ 17,678,010	$ 1,993,633	$ 2,052,779

State of Mississippi

Capital Projects Funds

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances
For the Year Ended June 30, 1987

	Employment Security Commission	Military Department
	Land and Building	National Guard Armory
Revenues:		
Criminal and defendant bond fees	$	$
Other		
Total Revenues		
Expenditures:		
Capital outlay	159,983	27,500
Excess (Deficiency) of Revenues over Expenditures	(159,983)	(27,500)
Other Financing Sources (Uses):		
Proceeds from general obligation bond issues		
Operating transfers in	159,983	27,500
Operating transfers out		
Net Other Financing Sources (Uses)	159,983	27,500
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses		
Fund Balances July 1		
Fund Balances June 30	$ 0	$ 0

Totals	
June 30, 1987	June 30, 1986
$ 20,295,426	$ 19,895,396
1,436,667	2,777,193
$ 21,732,093	$ 22,672,589
$ 276,631	$ 440,375
7,352	
72,035	
356,018	440,375
21,376,075	22,232,214
$ 21,732,093	$ 22,672,589

Bureau of Building, Grounds and Real Property Management			Totals for the Year Ended	
Construction and Improvement	Fire Academy	Parks	June 30, 1987	June 30, 1986
$ 3,440,390	$	$	$ 3,440,390	$ 273,540
17,726			17,726	3,784
3,458,116			3,458,116	277,324
22,433,854	206,367	1,085,009	23,912,713	24,821,686
(18,975,738)	(206,367)	(1,085,009)	(20,454,597)	(24,544,362)
2,485,000			2,485,000	2,200,000
29,500,225			29,687,708	25,779,726
(12,574,250)			(12,574,250)	(3,747,404)
19,410,975			19,598,458	24,232,322
435,237	(206,367)	(1,085,009)	(856,139)	(312,040)
16,896,381	2,200,000	3,135,833	22,232,214	22,544,254
$ 17,331,618	$ 1,993,633	$ 2,050,824	$ 21,376,075	$ 22,232,214

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Enterprise Funds

Enterprise funds account for the operations of the State that provide goods or services to the general public on a user charge basis.

Enterprise Funds Descriptions

Department of Economic Development	**Certified Development Company, Inc.** — provides loans to nonagricultural small businesses.
Fair Commission	**Fair Commission Fund** — accounts for expenses of the Fair Commission's operation of the coliseum, Dixie National Livestock Show, and Industrial Showcase Building, including payment of maturing bond interest and principal. Funding sources include gross receipts from the state fair, livestock show, Industrial Building, and other events conducted at the coliseum and fairgrounds, as well as operating transfers from the General Fund and proceeds from bond issues.
Department of Natural Resources	**Water Pollution Abatement Revolving Loan Fund** — provides loans to municipalities for water pollution control projects. Revenue is derived from interest earned on loans.
Veterans' Home Purchase Board	**Veterans' Home Purchase Board Fund** — provides home mortgage loans to qualified Mississippi veterans and accounts for administrative expenses of the Veterans' Home Purchase Board. Revenue is derived from interest earned on loans.
Veterans' Memorial Stadium Commission	**Veterans' Memorial Stadium Commission Fund** — accounts for operations of the Veterans' Memorial Stadium in Jackson, including the payment of maturing bond interest and principal. Funding is provided by admission fees and concessions.
Port Authority at Gulfport	**Port Authority at Gulfport Fund** — accounts for operations of a public port providing facilities for foreign and domestic trade. Funding is provided by gross receipts from port operations, proceeds from bond issues, and interest income. Expenses include port operation, construction, and the payment of maturing bond interest and principal.
Mississippi Housing Finance Corporation	**Mississippi Housing Finance Corporation Fund** — provides monies to finance the acquisition, construction, rehabilitation, and improvement of residential housing for lower and moderate income families within the State. Funding is derived from interest earned on mortgage loans, investment income, and proceeds from the issuance of revenue bonds.
Mississippi Industries for the Blind	**Mississippi Industries for the Blind Fund** — accounts for expenses relating to the establishment of industries, businesses, shops, and workshops primarily for the employment of blind persons, the procurement of materials for use in rehabilitating blind persons for employment, and the employment of blind persons and the marketing of their products. Revenue is derived principally from the sale of goods manufactured.

Mississippi Hospital Equipment Financing Authority	**Mississippi Hospital Equipment Financing Authority Fund** — accounts for the proceeds of bond issuances used primarily for the purpose of paying for or making loans to participating Mississippi hospital institutions for financing or refinancing of all or any part of the cost of hospital equipment and for refunding outstanding bonds. Expenses include administrative and bond issuance costs. Additional funding is provided by interest on loans and investments.

Other Enterprise Operations

Department of Agriculture and Commerce	**Division of Lime Fund** — accounts for all revenues and expenses from the operation of three lime plants. Operating expenses include royalties paid to owners of the land from which the lime is extracted. Revenue is derived from the sale of lime to the public.
	Authority for Control of Fire Ants Fund — was dissolved with cash and cash equivalents transferred to the State General Fund and fixed assets transferred to the Department of Agriculture and Commerce.
	Farmers' Central Market Board Fund — accounts for the construction, maintenance, and operation of facilities for processing, storing, and marketing agricultural products. Funding is derived from rental income.
Department of Public Safety	**Commissary Fund** — accounts for the operations of a commissary maintained at the Mississippi Law Enforcement Training Academy.
Department of Corrections	**Prison Industries Fund** — accounts for a janitorial supplies production operation, a garden operation, a book bindery, and a timber cutting operation. Revenue sources include proceeds from the sale of janitorial supplies, garden produce and firewood, fees collected for bindery services, and rental income from leased Department of Corrections' land.
	Lake Lodge Fund — accounts for operations of a cafeteria maintained for the convenience of Department of Corrections penitentiary employees.
	Commissary Fund — accounts for operations of the commissary. Profits are used for the special benefit of the penitentiary's residents.
Bureau of Surplus Property	**Bureau of Surplus Property Fund** — receives and maintains an inventory of surplus federal property and redistributes it to state agencies and departments, counties, municipalities, and other eligible donees with the State. Fees are collected from the donees to offset operating costs.

Yellow Creek Inland Port Authority	**Yellow Creek Inland Port Authority Fund** — accounts for operations of a public port facility at the conjunction of the Tennessee River and Yellow Creek in Tishomingo County, Mississippi. All costs of operating this port are accounted for in this fund, including construction costs and the payment of maturing bond interest and principal. Funding is provided by gross receipts from port operations, proceeds from bond issues, and interest income.
Department of Rehabilitation Services	**Allied Enterprises Fund** — accounts for a statewide system of sheltered workshop facilities through which handicapped citizens receive work experience to prepare them for employment outside of the Allied Enterprises setting. Revenue is generated from the sale of goods and services and operating transfers from the rehabilitation services fund.

All Enterprise Funds

Combining Balance Sheet
June 30, 1987

	Department of Economic Development		Department of Natural Resources		
	Certified Development Company, Inc.	**Fair Commission**	Water Pollution Abatement Revolving Loan	**Veterans' Home Purchase Board**	**Veterans' Memorial Stadium Commission**
Assets:					
Current assets:					
Cash and cash equivalents	$ 6,287,150	$ 1,071,269	$ 3,166,720	$ 4,457,950	$ 1,317,562
Receivables, net:					
Accounts	9,758	32,134			
Interest	45,553			315,000	2,717
Loans and notes - current portion	104,829			1,892,000	
Due from other governments - current portion			3,106,867		
Interfund receivables	22,212				504,668
Inventories					
Prepaid expenses		2,488		50,000	
Other					
Total Current Assets	6,469,502	1,105,891	6,273,587	6,714,950	1,824,947
Restricted assets		1,032,741			
Long-term investments					
Loans receivable, net of current portion				47,202,536	
Due from other governments, net of current portion			29,072,030		
Other long-term assets					
Land		945,130			143,000
Buildings and improvements, net		4,462,504			3,663,795
Machinery and equipment, net	6,135	204,410		15,332	18,456
Construction in progress		726,389			
Total Assets	$ 6,475,637	$ 8,477,065	$ 35,345,617	$ 53,932,818	$ 5,650,198
Liabilities:					
Current liabilities:					
Warrants payable	$ 2,305	$ 50,896	$ 989,869	$ 390,645	$ 21,451
Accounts payable and accruals	78,966	78,472		609,024	32,940
Due to other governments			835,396		
Interfund payables		133,476			969
Loans and notes payable - current portion					
Current portion of long-term general obligation bonds					140,000
Current portion of long-term revenue bonds					
Deferred revenues	86,810				
Other liabilities	175,333	554			
Total Current Liabilities	343,414	263,398	1,825,265	999,669	195,360
Liabilities payable from restricted assets:					
Accrued interest payable		13,018			
Revenue bonds payable - current		81,000			
Loans and notes payable, net of current portion					1,000,000
Loans from other funds					
Long-term obligation - general obligation bonds payable, net of current portion and unamortized discount					2,490,000
Long-term obligation - revenue bonds payable, net of current portion and unamortized discount		1,761,000			
Other obligations					
Total Liabilities	343,414	2,118,416	1,825,265	999,669	3,685,360
Fund Equity:					
Contributed capital	4,995,426		31,728,440	9,600,000	
Retained earnings:					
Reserved for:					
Bond retirement		938,723			
Unreserved	1,136,797	5,419,926	1,791,912	43,333,149	1,964,838
Total Fund Equity	6,132,223	6,358,649	33,520,352	52,933,149	1,964,838
Total Liabilities and Fund Equity	$ 6,475,637	$ 8,477,065	$ 35,345,617	$ 53,932,818	$ 5,650,198

Port Authority at Gulfport	Mississippi Housing Finance Corporation	Mississippi Industries for the Blind	Mississippi Hospital Equipment Financing Authority	Other	Totals	
					June 30, 1987	June 30, 1986
$ 1,810,529	$ 148,412	$ 1,281,866	$ 68,337,108	$ 6,957,777	$ 94,836,343	$ 37,655,277
329,584		1,702,978	18,789	843,099	2,936,342	3,013,423
3,834	14,682,154	2,395	298,838		15,350,491	13,827,212
28,478	15,800,552		4,092,051		21,917,910	17,871,251
				35,825	3,142,692	2,594,028
		5,303		115,232	647,415	470,976
		2,714,819		393,272	3,108,091	3,209,503
12,546		25,557		24	90,615	84,476
	826,595				826,595	89,492
2,184,971	31,457,713	5,732,918	72,746,786	8,345,229	142,856,494	78,815,638
					1,032,741	2,060,975
	289,373,215				289,373,215	176,201,527
159,697	444,082,319		19,653,698		511,098,250	430,270,547
					29,072,030	26,951,435
	1,207,274		1,367,478		2,574,752	1,737,939
24,000		12,500		1,087,455	2,212,085	2,215,340
12,251,070		616,497		1,765,064	22,758,930	23,720,031
2,396,527		692,493		1,984,622	5,317,975	5,328,711
3,068,730					3,795,119	2,625,520
$ 20,084,995	$ 766,120,521	$ 7,054,408	$ 93,767,962	$ 13,182,370	$ 1,010,091,591	$ 749,927,663
$ 69,018	$	$	$	$ 88,053	$ 1,612,237	$ 452,026
235,497	24,122,791	1,138,632	1,230,807	332,319	27,859,448	25,803,318
					835,396	400,000
		7,866		152,678	294,989	270,295
				8,500	8,500	33,580
1,185,000				115,000	1,440,000	1,300,000
	11,974,512		10,870,000		22,844,512	9,645,000
	4,463,003			53,351	4,603,164	2,600,640
12,612				12,950	201,449	341,022
1,502,127	40,560,306	1,146,498	12,100,807	762,851	59,699,695	40,845,881
					13,018	13,446
					81,000	86,000
				68,000	1,068,000	1,265,078
				119,613	119,613	
17,387,000				370,000	20,247,000	21,687,000
	703,351,029		80,900,000		786,012,029	557,713,272
66,522					66,522	22,964
18,955,649	743,911,335	1,146,498	93,000,807	1,320,464	867,306,877	621,633,641
		3,366,673		342,830	50,033,369	50,078,474
					938,723	1,961,529
1,129,346	22,209,186	2,541,237	767,155	11,519,076	91,812,622	76,254,019
1,129,346	22,209,186	5,907,910	767,155	11,861,906	142,784,714	128,294,022
$ 20,084,995	$ 766,120,521	$ 7,054,408	$ 93,767,962	$ 13,182,370	$ 1,010,091,591	$ 749,927,663

Combining Statement of Revenues, Expenses and Changes in Retained Earnings
For the Year Ended June 30, 1987

	Department of Economic Development		Department of Natural Resources		
	Certified Development Company, Inc.	Fair Commission	Water Pollution Abatement Revolving Loan	Veterans' Home Purchase Board	Veterans' Memorial Stadium Commission
Operating Revenues:					
Charges for sales and services	$	$ 2,230,529	$	$	$ 762,364
Interest income	334,313			4,124,264	
Rental income					
Fee income	168,820				
Other		68,484	99,330	83,967	2,789
Total Operating Revenues	503,133	2,299,013	99,330	4,208,231	765,153
Operating Expenses:					
Cost of sales and services					
General and administrative	190,001	651,965		295,248	155,647
Contractual services	24,130	1,300,527	48,505	82,493	198,043
Commodities	1,934	114,397		12,081	51,955
Interest		159,716			182,850
Depreciation	4,017	261,636		927	221,465
Amortization of goodwill and bond issuance costs					
Other		412			54,305
Total Operating Expenses	220,082	2,488,653	48,505	390,749	864,265
Operating Income (Loss)	283,051	(189,640)	50,825	3,817,482	(99,112)
Nonoperating Revenues:					
Gain (loss) on disposal of assets	(37,395)				
Insurance recovery					
Other					
Interest income		76,400			88,292
Total Nonoperating Revenues	(37,395)	76,400			88,292
Nonoperating Expenses					
Income (Loss) Before Operating Transfers	245,656	(113,240)	50,825	3,817,482	(10,820)
Operating Transfers In					
Operating Transfers Out					
Net Income (Loss)	245,656	(113,240)	50,825	3,817,482	(10,820)
Retained Earnings July 1	891,141	6,471,889	1,741,087	39,515,667	1,975,658
Residual Equity Transfer Out					
Retained Earnings June 30	$ 1,136,797	$ 6,358,649	$ 1,791,912	$ 43,333,149	$ 1,964,838

Port Authority at Gulfport	Mississippi Housing Finance Corporation	Mississippi Industries for the Blind	Mississippi Hospital Equipment Financing Authority	Other	Totals for the Year Ended	
					June 30, 1987	June 30, 1986
$ 3,666,447	$	$ 13,788,607	$	$ 8,254,694	$ 28,702,641	$ 28,969,843
110,996	73,127,449		4,232,961		81,929,983	62,885,261
				308,243	308,243	290,609
	3,466,857		401,416		4,037,093	4,612,846
554,154				70,997	879,721	926,096
4,331,597	76,594,306	13,788,607	4,634,377	8,633,934	115,857,681	97,684,655
		8,006,553		6,256,286	14,262,839	18,573,061
1,250,302	313,305	4,033,448	434,015	4,989,505	12,313,436	7,884,534
875,687	560,000	1,351,811		355,382	4,796,578	3,674,684
234,551		319,694		342,735	1,077,347	1,205,786
1,180,267	69,300,520		3,425,714	33,411	74,282,478	57,359,107
561,729	—	148,569		407,174	1,605,517	1,569,365
	148,186		227,814	36,293	412,293	329,470
	1,064,973		24,349	6,939	1,150,978	1,967,940
4,102,536	71,386,984	13,860,075	4,111,892	12,427,725	109,901,466	92,563,947
229,061	5,207,322	(71,468)	522,485	(3,793,791)	5,956,215	5,120,708
				(52,625)	(90,020)	(3,904)
283,057				428	283,485	156,199
61,079					61,079	37,343
		53,884		198,778	417,354	560,142
344,136		53,884		146,581	671,898	749,780
				37,385	37,385	29,420
573,197	5,207,322	(17,584)	522,485	(3,684,595)	6,590,728	5,841,068
				9,192,332	9,192,332	3,776,326
				(912,249)	(912,249)	(175,315)
573,197	5,207,322	(17,584)	522,485	4,595,488	14,870,811	9,442,079
556,149	17,001,864	2,558,821	244,670	7,258,602	78,215,548	68,773,469
				(335,014)	(335,014)	
$ 1,129,346	$ 22,209,186	$ 2,541,237	$ 767,155	$ 11,519,076	$ 92,751,345	$ 78,215,548

All Enterprise Funds

Combining Statement of Changes in Financial Position
For the Year Ended June 30, 1987

	Department of Economic Development		Department of Natural Resources		
	Certified Development Company, Inc.	Fair Commission	Water Pollution Abatement Revolving Loan	Veterans' Home Purchase Board	Veterans' Memorial Stadium Commission
Sources of Working Capital:					
Operations:					
Net income (loss)	$ 245,656	$ (113,240)	$ 50,825	$ 3,817,482	$ (10,820)
Items not requiring (providing) working capital:					
Depreciation	4,017	261,636		927	221,465
Amortization of goodwill and bond issuance costs					
Amortization of discount and appreciation bonds					
Other	37,395	600			
Working Capital Provided by Operations	287,068	148,996	50,825	3,818,409	210,645
Proceeds from loan receipts					
Proceeds from sale of bonds					
Proceeds from capital leases					
Proceeds from sale of assets	112,185				
Repayment of loans receivable				2,875,295	
Net decrease in restricted assets		1,022,806			
Total Sources of Working Capital	399,253	1,171,802	50,825	6,693,704	210,645
Uses of Working Capital:					
Acquisition of fixed assets and investments	3,043	713,695			90,961
Net increase in restricted assets					
Current installment and repayment of long-term debt		81,000			140,000
Issuance of new loans, net of change in current portion			2,120,595	4,898,693	
Bond issuance cost					
Residual equity transfer					
Other					
Total Uses of Working Capital	3,043	794,695	2,120,595	4,898,693	230,961
Net Increase (Decrease) in Working Capital	$ 396,210	$ 377,107	$ (2,069,770)	$ 1,795,011	$ (20,316)
Elements of Net Increase (Decrease) in Working Capital:					
Cash and cash equivalents	$ 401,106	$ 347,063	$ (812,347)	$ 2,590,412	$ (692,889)
Accounts receivable	(29,514)	24,682		(3,764)	(53,146)
Interest receivable	(1,384)			315,000	(13,834)
Loans receivable - current portion	(72,509)			(433,000)	
Due from other governments - current portion			581,877		
Interfund receivables	22,212		(415,818)		504,668
Inventories					
Prepaid expenses		256			
Other assets					
Warrants payable	1,984	(19,362)	(989,869)	(132,528)	(10,066)
Accounts payable and accruals	(73,329)	153,855	349	(542,482)	254,945
Due to other governments			(435,396)		
Interfund payables		(130,745)	1,434	1,373	6
Loans and notes payable - current portion					
Current portion of long-term debt					(10,000)
Deferred revenues	(16,133)				
Other liabilities	163,777	1,358			
Net Increase (Decrease) in Working Capital	$ 396,210	$ 377,107	$ (2,069,770)	$ 1,795,011	$ (20,316)

Port Authority at Gulfport	Mississippi Housing Finance Corporation	Mississippi Industries for the Blind	Mississippi Hospital Equipment Financing Authority	Other	Totals for the Year Ended	
					June 30, 1987	June 30, 1986
$ 573,197	$ 5,207,322	$ (17,584)	$ 522,485	$ 4,595,488	$ 14,870,811	$ 9,442,079
561,729		148,569		407,174	1,605,517	1,569,365
	148,186		227,814	36,293	412,293	329,470
	6,339,257				6,339,257	
12,967				76,427	127,389	1,449,915
1,147,893	11,694,765	130,985	750,299	5,115,382	23,355,267	12,790,829
						90,285
	196,356,000		70,000,000		266,356,000	197,350,000
63,060					63,060	
24,484		3,993		13,148	153,810	110,858
	32,315,008		4,264,221		39,454,524	17,144,689
					1,022,806	
1,235,437	240,365,773	134,978	75,014,520	5,128,530	330,405,467	227,486,661
514,314	113,321,269	69,513		779,037	115,491,832	58,478,014
						1,961,529
1,213,477	33,445,500		10,870,000	148,580	45,898,557	13,356,283
	99,602,175		15,809,835		122,431,298	153,829,047
	320,000		892,813		1,212,813	
				99,303	99,303	
				84,622	84,622	1,193,880
1,727,791	246,688,944	69,513	27,572,648	1,111,542	285,218,425	228,818,753
$ (492,354)	$ (6,323,171)	$ 65,465	$ 47,441,872	$ 4,016,988	$ 45,187,042	$ (1,332,092)
$ (1,247,683)	$ 27,477	$ 9,329	$ 52,709,981	$ 3,848,617	$ 57,181,066	$ 418,570
(12,213)		93,158	18,789	(115,073)	(77,081)	(866,288)
(7,502)	929,766	2,395	298,838		1,523,279	7,782,861
3,749	2,807,612		1,753,477	(12,670)	4,046,659	5,028,912
				(33,213)	548,664	74,508
		5,303		60,074	176,439	(587,679)
		(67,007)		(34,405)	(101,412)	(64,155)
12,546		3,328	(7,500)	(2,491)	6,139	89,643
	792,490			(55,387)	737,103	190,663
(50,632)				40,262	(1,160,211)	(452,026)
946,993	(2,817,746)	26,825	(256,713)	251,173	(2,056,130)	(9,488,079)
					(435,396)	(400,000)
		(7,866)		111,104	(24,694)	45,834
				25,080	25,080	121,333
(125,000)	(6,124,512)		(7,075,000)	(5,000)	(13,339,512)	(2,425,000)
	(1,938,258)			(48,133)	(2,002,524)	(763,795)
(12,612)				(12,950)	139,573	(37,394)
$ (492,354)	$ (6,323,171)	$ 65,465	$ 47,441,872	$ 4,016,988	$ 45,187,042	$ (1,332,092)

Other Enterprise Funds

Combining Balance Sheet
June 30, 1987

	Department of Agriculture and Commerce		Department of Corrections		
	Division of Lime	Farmers' Central Market Board	Prison Industries	Lake Lodge	Commissary
Assets:					
Current assets:					
Cash and cash equivalents	$ 38,982	$ 83,892	$ 769,805	$ 36,595	$ 376,316
Receivables, net:					
Accounts	24,310	9,000	17,073	8,587	41,347
Loans and notes - current portion					
Due from other governments - current portion			5,694		
Interfund receivables			74,287		1,978
Inventories	2,625		130,846	9,797	119,615
Prepaid expenses	9				15
Other					
Total Current Assets	65,926	92,892	997,705	54,979	539,271
Land		38,280			
Buildings and improvements, net	419,983	922,145	106,851	5,933	
Machinery and equipment, net	605,674	36,147	531,528	21,597	25,476
Construction in progress					
Total Assets	$ 1,091,583	$ 1,089,464	$ 1,636,084	$ 82,509	$ 564,747
Liabilities:					
Current liabilities:					
Warrants payable	$ 16,609	$ 12,824	$ 27,604	$	$
Accounts payable and accruals	60,705	27,109	27,246	9,734	103,935
Interfund payables	98,000	25,080	4,100		2,537
Loans and notes payable - current portion		8,500			
Current portion of long-term general obligation bonds					
Deferred revenues	8,055	55			
Other liabilities			12,950		
Total Current Liabilities	183,369	73,568	71,900	9,734	106,472
Loans and notes payable, net of current portion		68,000			
Loans from other funds		119,613			
Long-term obligation - general obligation bonds payable, net of current portion and unamortized discount					
Total Liabilities	183,369	261,181	71,900	9,734	106,472
Fund Equity:					
Contributed capital		8,312	315,554	5,962	
Retained earnings	908,214	819,971	1,248,630	66,813	458,275
Total Fund Equity	908,214	828,283	1,564,184	72,775	458,275
Total Liabilities and Fund Equity	$ 1,091,583	$ 1,089,464	$ 1,636,084	$ 82,509	$ 564,747

Department of Forestry			Department of Rehabilitation Services	Totals	
Tree Seedling	Bureau of Surplus Property	Yellow Creek Inland Port Authority	Allied Enterprises	June 30, 1987	June 30, 1986
$ 300,000	$ 287,730	$ 3,870,929	$ 1,193,528	$ 6,957,777	$ 3,109,160
	44,815	55,751	642,216	843,099	958,172
					12,670
—	30,131			35,825	69,038
	974		37,993	115,232	55,158
			130,389	393,272	427,677
		—		24	2,515
					55,387
300,000	363,650	3,926,680	2,004,126	8,345,229	4,689,777
	100,000	949,175		1,087,455	1,090,710
	161,552	148,600		1,765,064	1,862,495
	45,026	719,174		1,984,622	1,873,932
					4,088
$ 300,000	$ 670,228	$ 5,743,629	$ 2,004,126	$ 13,182,370	$ 9,521,002
$	$ 31,016	$	$	$ 88,053	$ 128,315
	37,593	20,098	45,899	332,319	583,492
	1,862		21,099	152,678	263,782
				8,500	33,580
		115,000		115,000	110,000
			45,241	53,351	5,218
				12,950	
	70,471	135,098	112,239	762,851	1,124,387
				68,000	265,078
				119,613	
		370,000		370,000	485,000
	70,471	505,098	112,239	1,320,464	1,874,465
	13,002			342,830	387,935
300,000	586,755	5,238,531	1,891,887	11,519,076	7,258,602
300,000	599,757	5,238,531	1,891,887	11,861,906	7,646,537
$ 300,000	$ 670,228	$ 5,743,629	$ 2,004,126	$ 13,182,370	$ 9,521,002

Combining Statement of Revenues, Expenses and Changes in Retained Earnings
For the Year Ended June 30, 1987

	Department of Agriculture and Commerce			Department of Public Safety
	Division of Lime	Authority for Control of Fire Ants	Farmers' Central Market Board	Commissary
Operating Revenues:				
Charges for sales and services	$ 245,352	$	$ 60	$ 100
Rental income			298,882	
Other	1,092		2,830	
Total Operating Revenues	246,444		301,772	100
Operating Expenses:				
Cost of sales and services	247,872			
General and administrative			146,697	
Contractual services	616		36,023	
Commodities	880		9,779	196
Interest			7,280	
Depreciation	107,593		42,691	
Amortization of goodwill and bond issuance costs		36,293		
Other	60			
Total Operating Expenses	357,021	36,293	242,470	196
Operating Income (Loss)	(110,577)	(36,293)	59,302	(96)
Nonoperating Revenues:				
Gain (loss) on disposal of assets	(49,628)		(2,997)	
Insurance recovery			428	
Other				
Interest income	270			
Total Nonoperating Revenues	(49,358)		(2,569)	
Nonoperating Expenses	9,974		515	
Income (Loss) Before Operating Transfers	(169,909)	(36,293)	56,218	(96)
Operating Transfers In			1,584	
Operating Transfers Out				
Net Income (Loss)	(169,909)	(36,293)	57,802	(96)
Retained Earnings July 1	1,078,123	371,307	762,169	96
Residual Equity Transfer Out		(335,014)		
Retained Earnings June 30	$ 908,214	$ 0	$ 819,971	$ 0

Department of Corrections			**Department of Forestry**			**Department of Rehabilitation Services**	**Totals for the Year Ended**	
Prison Industries	Lake Lodge	Commissary	Tree Seedling	**Bureau of Surplus Property**	**Yellow Creek Inland Port Authority**	Allied Enterprises	June 30, 1987	June 30, 1986
$ 308,206	$ 220,794	$ 1,483,781	$	$ 612,814	$ 311,044	$ 5,072,543	$ 8,254,694	$ 7,380,434
					9,361		308,243	290,609
50,176	2,204	10,600		3,764	331		70,997	59,076
358,382	222,998	1,494,381		616,578	320,736	5,072,543	8,633,934	7,730,119
50,338	194,268	1,154,646				4,609,162	6,256,286	5,651,502
191,905	34,868	81,670		379,036	204,164	3,951,165	4,989,505	4,220,318
43,348	13,895	14,759		57,387	104,025	85,329	355,382	523,902
127,661	5,751	138,453		37,090	22,925		342,735	357,094
					26,131		33,411	11,740
58,591	874	6,026		36,970	154,429		407,174	352,961
							36,293	1,857
77	372	5,950		245	235		6,939	48,321
471,920	250,028	1,401,504		510,728	511,909	8,645,656	12,427,725	11,167,695
(113,538)	(27,030)	92,877		105,850	(191,173)	(3,573,113)	(3,793,791)	(3,437,576)
							(52,625)	(3,904)
							428	
								14,122
	2,085	16,220			136,408	43,795	198,778	54,633
	2,085	16,220			136,408	43,795	146,581	64,851
7,610		18,756		530			37,385	3,162
(121,148)	(24,945)	90,341		105,320	(54,765)	(3,529,318)	(3,684,595)	(3,375,887)
530,543	20,113	13,852	300,000		4,307,664	4,018,576	9,192,332	3,713,769
(892,697)		(19,552)					(912,249)	(175,315)
(483,302)	(4,832)	84,641	300,000	105,320	4,252,899	489,258	4,595,488	162,567
1,731,932	71,645	373,634		481,435	985,632	1,402,629	7,258,602	7,096,035
							(335,014)	
$ 1,248,630	$ 66,813	$ 458,275	$ 300,000	$ 586,755	$ 5,238,531	$ 1,891,887	$ 11,519,076	$ 7,258,602

Other Enterprise Funds

Combining Statement of Changes in Financial Position
For the Year Ended June 30, 1987

	Department of Agriculture and Commerce			Department of Public Safety
	Division of Lime	Authority for Control of Fire Ants	Farmers' Central Market Board	Commissary
Sources of Working Capital:				
Operations:				
Net income (loss)	$ (169,909)	$ (36,293)	$ 57,802	$ (96)
Items not requiring (providing) working capital:				
Depreciation	107,593		42,691	
Amortization of goodwill		36,293		
Other	49,628		2,997	
Working Capital Provided by Operations	(12,688)		103,490	(96)
Proceeds from loan receipts				
Proceeds from sale of assets	13,148			
Total Sources of Working Capital	460		103,490	(96)
Uses of Working Capital:				
Acquisition of fixed assets and investments			92,212	
Current installment and repayment of long-term debt			33,580	
Residual equity transfer		99,303		
Other	43,885			
Total Uses of Working Capital	43,885	99,303	125,792	
Net Increase (Decrease) in Working Capital	$ (43,425)	$ (99,303)	$ (22,302)	$ (96)
Elements of Net Increase (Decrease) In Working Capital:				
Cash and cash equivalents	$ (7,827)	$ (106,352)	$ (55,081)	$ (96)
Accounts receivable	2,334		1,288	
Loans receivable - current portion				
Due from other governments - current portion				
Interfund receivables		(50,000)		
Inventories	2,625			
Prepaid expenses	(1,365)			
Other assets		(55,387)		
Warrants payable	621	4,607	5,581	
Accounts payable and accruals	(34,966)	6,270	23,118	
Interfund payables	3,208	101,559	(23,812)	
Loans and notes payable - current portion			25,080	
Current portion of long-term debt				
Deferred revenues	(8,055)		1,524	
Other liabilities				
Net Increase (Decrease) in Working Capital	$ (43,425)	$ (99,303)	$ (22,302)	$ (96)

Department of Corrections			Department of Forestry			Department of Rehabilitation Services	Totals for the Year Ended	
Prison Industries	Lake Lodge	Commissary	Tree Seedling	**Bureau of Surplus Property**	**Yellow Creek Inland Port Authority**	Allied Enterprises	June 30, 1987	June 30, 1986
$ (483,302)	$ (4,832)	$ 84,641	$300,000	$ 105,320	$ 4,252,899	$ 489,258	$ 4,595,488	$ 162,567
58,591	874	6,026		36,970	154,429		407,174	352,961
							36,293	1,857
4,516		18,756		530			76,427	4,065
(420,195)	(3,958)	109,423	300,000	142,820	4,407,328	489,258	5,115,382	521,450
								90,285
							13,148	88,098
(420,195)	(3,958)	109,423	300,000	142,820	4,407,328	489,258	5,128,530	699,833
35,517	3,608	15,507		15,373	616,820		779,037	87,538
					115,000		148,580	140,101
							99,303	
40,737							84,622	563
76,254	3,608	15,507		15,373	731,820		1,111,542	228,202
$ (496,449)	$ (7,566)	$ 93,916	$300,000	$ 127,447	$ 3,675,508	$ 489,258	$4,016,988	$ 471,631
$ (554,194)	$ (9,930)	$ 110,185	$300,000	$ 128,294	$ 3,669,569	$ 374,049	$3,848,617	$ 878,221
(38,666)	(4,995)	2,024		36,299	5,160	(118,517)	(115,073)	(124,890)
(12,670)							(12,670)	
5,694				(38,907)			(33,213)	74,508
74,287		1,978		(4,184)		37,993	60,074	(17,183)
(19,679)	(5,934)	7,261				(18,678)	(34,405)	(64,155)
		15		(1,141)			(2,491)	5,244
							(55,387)	
29,078				375			40,262	(128,315)
35,528	13,293	(25,010)		2,942	5,779	224,219	251,173	(61,088)
(2,877)		(2,537)		130		35,433	111,104	(80,736)
							25,080	
					(5,000)		(5,000)	(5,000)
				3,639		(45,241)	(48,133)	(5,218)
(12,950)							(12,950)	243
$ (496,449)	$ (7,566)	$ 93,916	$300,000	$ 127,447	$ 3,675,508	$ 489,258	$4,016,988	$ 471,631

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Internal service funds account for the operations of state agencies that provide services or goods to other state agencies or governmental units on a cost reimbursement basis.

Internal Service Funds Descriptions

Personnel Board

Personnel Administration Fund — accounts for the expenses of establishing personnel policies, regulating the pay of state employees, and testing and validating new hires. Revenues consist of assessments charged to state agencies based on the number of authorized positions.

Personnel Test Validation Fund — Residual equity was transferred to Personnel Administration Fund.

Central Data Processing Authority

Data Processing Services Fund — accounts for the purchase, maintenance, and operation of centralized data processing and information devices used by state agencies. Revenues consist of charges to user agencies.

Planning and Policy Fund — accounts for expenses related to planning and policies for the development of data processing capabilities for state agencies. Revenues consist of charges to user agencies.

Telecommunications Fund — accounts for the maintenance, coordination, and usage of the State's central telephone system and the universities' central telephone systems. Revenues consist of charges to user agencies and universities for service and equipment.

Equipment Purchase Fund — accounts for financing activities in connection with the purchase of data processing equipment for state agencies and universities. The fund was closed in FY 87.

Combining Balance Sheet
June 30, 1987

	Personnel Board	Central Data Processing Authority		
	Personnel Administration	Data Processing Services	Planning and Policy	Telecommunications
Assets:				
Current assets:				
Cash and cash equivalents	$ 881,296	$ 5,862,270	$ 273,761	$ 798,470
Accounts receivable	14,160	43,627	19,910	94,081
Interfund receivables	7,680	575,676	261,027	407,500
Due from other governments			9,983	
Prepaid expenses				
Total Current Assets	903,136	6,481,573	564,681	1,300,051
Restricted assets				
Machinery and equipment, net	210,400	4,390,172	161,283	1,943,595
Total Assets	$ 1,113,536	$ 10,871,745	$ 725,964	$ 3,243,646
Liabilities:				
Current liabilities:				
Warrants payable	$ 314,359	$ 713,883	$ 48,755	$ 250,042
Accounts payable and accruals	89,700	235,422	44,454	452,215
Interfund payables		223,977	960	326
Lease obligations payable, current portion		1,230,061		389,107
Total Current Liabilities	404,059	2,403,343	94,169	1,091,690
Lease obligations payable, net of current portion		398,797		493,863
Total Liabilities	404,059	2,802,140	94,169	1,585,553
Fund Equity:				
Retained earnings, unreserved	709,477	8,069,605	631,795	1,658,093
Total Liabilities and Fund Equity	$ 1,113,536	$ 10,871,745	$ 725,964	$ 3,243,646

Totals	
June 30, 1987	June 30, 1986
$ 7,815,797	$ 6,719,351
171,778	43,236
1,251,883	1,116,576
9,983	
	15,223
9,249,441	7,894,386
	2,170,149
6,705,450	6,388,773
$ 15,954,891	$ 16,453,308
$ 1,327,039	$ 502,315
821,791	1,493,992
225,263	2,497,919
1,619,168	1,497,954
3,993,261	5,992,180
892,660	1,558,362
4,885,921	7,550,542
11,068,970	8,902,766
$ 15,954,891	$ 16,453,308

Internal Service Funds

	Personnel Board	
	Personnel Administration	Personnel Test Validation
Operating Revenues:		
Charges for goods and services	$ 2,322,306	$
Other	3	
Total Operating Revenues	2,322,309	
Operating Expenses:		
Personal services:		
Salaries, wages and fringe benefits	1,423,044	
Travel	17,556	
Contractual services	800,979	
Commodities	33,391	
Depreciation	34,970	
Interest expense		
Other		
Total Operating Expenses	2,309,940	
Operating Income (Loss)	12,369	
Nonoperating Expenses	913	
Income (Loss) Before Operating Transfers	11,456	
Operating Transfers In		
Operating Transfers Out		
Net Income	11,456	
Retained Earnings July 1, as Restated	697,624	397
Residual Equity Transfer In (Out)	397	(397)
Retained Earnings June 30	$ 709,477	$ 0

Central Data Processing Authority			Totals for the Year Ended	
Data Processing Services	Planning and Policy	Tele-communications	June 30, 1987	June 30, 1986
$ 6,004,744	$ 637,736	$ 4,662,362	$ 13,627,148	$ 12,689,780
75			78	3,326
6,004,819	637,736	4,662,362	13,627,226	12,693,106
1,534,269	491,696	352,752	3,801,761	3,765,942
35,386	23,037	19,046	95,025	79,885
1,927,830	119,202	3,145,882	5,993,893	5,731,544
111,757	8,786	22,583	176,517	154,223
1,096,921	22,068	503,489	1,657,448	1,454,902
151,762			151,762	
128		126,975	127,103	
4,858,053	664,789	4,170,727	12,003,509	11,186,496
1,146,766	(27,053)	491,635	1,623,717	1,506,610
19,044		943	20,900	1,979,810
1,127,722	(27,053)	490,692	1,602,817	(473,200)
255,657	87,045	223,625	566,327	1,316,487
(2,940)			(2,940)	(7,500)
1,380,439	59,992	714,317	2,166,204	835,787
6,689,166	571,803	943,776	8,902,766	8,066,979
$ 8,069,605	$ 631,795	$ 1,658,093	$ 11,068,970	$ 8,902,766

Combining Statement of Changes in Financial Position
For the Year Ended June 30, 1987

	Personnel Board	
	Personnel Administration	Personnel Test Validation
Sources of Working Capital:		
Operations:		
Net income	$ 11,456	$
Items not requiring working capital:		
Depreciation	34,970	
Other		
Working Capital Provided by Operations	46,426	
Decrease in restricted assets		
Proceeds from sale of assets	913	
Proceeds from capital leases		
Residual equity transfers	397	
Total Sources of Working Capital	47,736	
Uses of Working Capital:		
Acquisition of machinery and equipment	114,986	
Decrease in long-term loans from other funds		
Increase in restricted assets		
Decrease in long-term debt		
Residual equity transfers		397
Total Uses of Working Capital	114,986	397
Net Increase (Decrease) in Working Capital	$ (67,250)	$ (397)
Elements of Net Increase (Decrease) in Working Capital:		
Cash and cash equivalents	$ 96,004	$ (37,897)
Accounts receivable	14,160	
Due from other governments		
Interfund receivables	(9,324)	
Prepaid expenses		
Warrants payable	(168,379)	37,500
Accounts payable and accruals	(5,378)	
Interfund payables	5,667	
Current portion of long-term debt		
Net Increase (Decrease) in Working Capital	$ (67,250)	$ (397)

Central Data Processing Authority				Totals for the Year Ended	
Data Processing Services	Planning and Policy	Telecommunications	Equipment Purchase	June 30, 1987	June 30, 1986
$ 1,380,439	$ 59,992	$ 714,317	$	$ 2,166,204	$ 835,787
1,096,921	22,068	503,489		1,657,448	1,454,902
3,143		3,391		6,534	1,756,784
2,480,503	82,060	1,221,197		3,830,186	4,047,473
			2,170,149	2,170,149	
19,044		943		20,900	
909,760		231,948		1,141,708	827,716
				397	
3,409,307	82,060	1,454,088	2,170,149	7,163,340	4,875,189
1,525,053	80,518	281,002		2,001,559	4,714,831
					2,287,030
					592,969
1,457,369		350,041		1,807,410	
				397	
2,982,422	80,518	631,043		3,809,366	7,594,830
$ 426,885	$ 1,542	$ 823,045	$ 2,170,149	$ 3,353,974	$ (2,719,641)
$ 1,265,835	$ (206,512)	$ (6,789)	$ (14,195)	$ 1,096,446	$ 1,383,566
31,047	16,203	67,132		128,542	10,216
	9,983			9,983	
188,124	163,252	(88,878)	(117,867)	135,307	(600,864)
		(15,223)		(15,223)	15,223
(466,199)	(7,571)	(220,075)		(824,724)	(502,315)
67,763	19,804	590,012		672,201	(1,260,700)
(218,006)	6,383	176,401	2,302,211	2,272,656	(1,764,767)
(441,679)		320,465		(121,214)	
$ 426,885	$ 1,542	$ 823,045	$ 2,170,149	$ 3,353,974	$ (2,719,641)

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Trust and agency funds account for assets held by the State in a fiduciary capacity.

Significant Trust and Agency Funds Descriptions

Expendable Trust Funds

Fiscal Management Board	**Group Insurance Fund** — accounts for resources and transactions pertaining to the State's self-insured medical plan and life insurance program. State employees' premiums are funded by the State. Additional funding is provided by retired employees and by active employees for spouse and dependent medical coverage. Administrative expenses and benefits to eligible claimants are paid from this fund. **State Employees' Unemployment Insurance Fund** — accounts for unemployment benefits paid to eligible former state employees. Funding is provided by premiums collected from the State's operating funds.
Employment Security Commission	**Unemployment Compensation Fund** — accounts for the collection of unemployment insurance taxes from employers and the payment of unemployment benefits to eligible claimants. Funds are also provided by the federal government and interest income. Administrative expenses incurred by the Employment Security Commission are accounted for in a special revenue fund.

Nonexpendable Trust Funds

School for the Blind	**School for the Blind Endowment Fund** — accounts for endowment trusts whose income is used for the benefit of blind children at the school.
Treasurer	**Oil and Gas Taxes on State-owned Land Fund** — accounts for oil and gas royalties collected on state-owned lands and transferred from the General Fund. The principal is required by statute to remain inviolate. Income derived from the investment of the principal may be appropriated for specific uses by the Legislature.
Department of Archives and History	**Dunbar Rowland Fund** — provides for funds to purchase books and historical manuscripts. **Stonewall Jackson Memorial Fund** — provides for funds to award higher education scholarship awards to winners of an essay contest.

Pension Trust Funds

Public Employees' Retirement System

Public Employees' Retirement System Fund — provides retirement and disability coverage to substantially all employees of the State and its political subdivisions. Benefits are funded by contributions from the members, the State, and political subdivisions and by investment income.

Highway Safety Patrol Retirement System Fund — provides retirement and disability benefits to uniformed officers of the Department of Public Safety. Benefits are funded by contributions of the members and the State, driver's license reinstatement fees, and investment income.

Agency Funds

Deferred Compensation Plan Fund — accounts for deposits of gross compensation deferred by employees of the State and its political subdivisions. These deposits are invested until retirement, severance from public service, death, or extreme hardship of the individual participants.

Social Security Fund — accounts for contributions received or due from the State and the various political subdivisions that are due to the federal Social Security Administration.

Local Government Distributive Fund — serves as a clearing mechanism for funds distributed to the various counties and municipalities of the State.

Program Fund — accounts for receipt of various taxes, refundable deposits, inventories, and other monies collected or recovered to be held until the State has the right or obligation to distribute them to state operating funds or to various entities or individuals.

Institutional Fund — accounts for deposits to various institutional accounts and other receipts held by the State until there is proper authorization to disburse them directly to others.

Highway Refunded Bonds Fund — serves as a clearing mechanism to account for monies earned on escrow funds held for highway bonds that have been fully defeased. The funds are transferred to the paying agent to pay bonds and coupons that mature.

Combining Balance Sheet
June 30, 1987

	Trust				Totals	
	Expendable	Nonexpendable	Pension	Agency	June 30, 1987	June 30, 1986
Assets:						
Cash and cash equivalents	$ 27,903,237	$ 19,157,409	$ 296,791,803	$ 23,889,252	$ 367,741,701	$ 291,163,099
Amount on deposit with U.S. Treasury	358,973,618				358,973,618	359,809,752
Investments			2,619,940,911	90,158,447	2,710,099,358	2,412,186,806
Collateral held under reverse repurchase agreements			662,508,008		662,508,008	348,125,534
Receivables:						
Taxes	24,280,890				24,280,890	35,017,990
Securities sold			40,813,777		40,813,777	
Interest	8,418,709	39,144	39,217,858	552,306	48,228,017	55,518,248
Dividends			2,395,751		2,395,751	
Due from other governments	32,298				32,298	155,262
Contributions			24,570,284	1,290,822	25,861,106	53,521,563
Other	8,548,315		389,536	1,133,590	10,071,441	7,303,883
Interfund receivables	2,675,331	3,203	75,211,121	1,215,759	79,105,414	76,142,637
Commodity inventory				167,496	167,496	
Loans to other funds	2,963,676				2,963,676	2,800,000
Land			508,000		508,000	508,000
Buildings, net			3,365,436		3,365,436	3,454,000
Improvements other than buildings, net			117,422		117,422	125,595
Machinery and equipment, net			582,660		582,660	432,871
Total Assets	$ 433,796,074	$ 19,199,756	$3,766,412,567	$ 118,407,672	$4,337,816,069	$3,646,265,240
Liabilities:						
Warrants payable	$ 14,142	$	$	$ 2,543,612	$ 2,557,754	$ 2,881,551
Accounts payable and accruals	12,334,325		26,419,341	593,651	39,347,317	45,527,884
Due to other governments				1,349,670	1,349,670	30,111,912
Interfund payables	363,988	116,533	75,764,959	302,826	76,548,306	73,570,189
Amounts held in custody for others				113,617,913	113,617,913	112,583,010
Obligations under reverse repurchase agreements			662,508,008		662,508,008	348,125,534
Deferred revenues	136,321				136,321	554,990
Other liabilities	5,793				5,793	5,793
Total Liabilities	12,854,569	116,533	764,692,308	118,407,672	896,071,082	613,360,863
Fund Balances:						
Reserved for:						
Pension benefits			3,001,720,259		3,001,720,259	2,591,760,282
Life and health insurance benefits	14,973,012				14,973,012	11,753,376
Unemployment compensation benefits	402,899,908				402,899,908	408,099,344
Loans to other funds	2,963,676				2,963,676	2,800,000
Other		17,592,594			17,592,594	16,890,626
Unreserved:						
Undesignated	104,909	1,490,629			1,595,538	1,600,749
Total Fund Balances	420,941,505	19,083,223	3,001,720,259		3,441,744,987	3,032,904,377
Total Liabilities and Fund Balances	$ 433,796,074	$ 19,199,756	$ 3,766,412,567	$ 118,407,672	$ 4,337,816,069	$3,646,265,240

Expendable Trust Funds

Combining Balance Sheet
June 30, 1987

	Fiscal Management Board		Employment Security Commission		Totals	
	Group Insurance	State Employees' Unemployment Insurance	Unemployment Compensation	Other	June 30, 1987	June 30, 1986
Assets:						
Cash and cash equivalents	$ 22,638,054	$ 5,169,555	$ (11,922)	$ 107,550	$ 27,903,237	$ 23,557,158
Amount on deposit with U.S. Treasury			358,973,618		358,973,618	359,809,752
Receivables:						
Taxes			24,280,890		24,280,890	35,017,990
Interest	26,977		8,391,732		8,418,709	8,974,800
Due from other governments		646	31,652		32,298	155,262
Other	2,241,527		6,300,995	5,793	8,548,315	2,254,551
Interfund receivables	1,777,342	528,653	369,336		2,675,331	2,737,515
Loans to other funds		2,800,000	163,676		2,963,676	2,800,000
Total Assets	$ 26,683,900	$ 8,498,854	$ 398,499,977	$ 113,343	$ 433,796,074	$ 435,307,028
Liabilities:						
Warrants payable	$ 13,150	$	$	$ 992	$ 14,142	$ 378,920
Accounts payable and accruals	11,697,738		634,938	1,649	12,334,325	11,425,305
Due to other governments						176,365
Interfund payables		301,171	62,817		363,988	9,722
Deferred revenues			136,321		136,321	554,990
Other liabilities				5,793	5,793	5,793
Total Liabilities	11,710,888	301,171	834,076	8,434	12,854,569	12,551,095
Fund Balances:						
Reserved for:						
Life and health insurance benefits	14,973,012				14,973,012	11,753,376
Unemployment compensation benefits		5,397,683	397,502,225		402,899,908	408,099,344
Loans to other funds		2,800,000	163,676		2,963,676	2,800,000
Unreserved:						
Undesignated				104,909	104,909	103,213
Total Fund Balances	14,973,012	8,197,683	397,665,901	104,909	420,941,505	422,755,933
Total Liabilities and Fund Balances	$ 26,683,900	$ 8,498,854	$ 398,499,977	$ 113,343	$ 433,796,074	$ 435,307,028

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 1987

	Fiscal Management Board		Employment Security Commission		Totals for the Year Ended	
	Group Insurance	State Employees' Unemployment Insurance	Unemployment Compensation	Other	June 30, 1987	June 30, 1986
Revenues:						
Taxes	$	$	$ 68,376,272	$	$ 68,376,272	$ 115,132,189
Employer premiums	51,070,015	3,235,804			54,305,819	55,406,628
Federal government			3,410,931		3,410,931	2,862,275
Interest income	1,137,755		34,460,884	1,343	35,599,982	35,505,613
Other	238,508			26,799	265,307	132,568
Total Revenues	52,446,278	3,235,804	106,248,087	28,142	161,958,311	209,039,273
Expenditures:						
General government:						
Benefits	47,850,641	2,321,621			50,172,262	49,230,396
Administrative fees	1,376,001			26,446	1,402,447	1,049,806
Health and social services:						
Benefits			112,038,048		112,038,048	99,026,672
Total Expenditures	49,226,642	2,321,621	112,038,048	26,446	163,612,757	149,306,874
Excess of Revenues over (under) Expenditures	3,219,636	914,183	(5,789,961)	1,696	(1,654,446)	59,732,399
Other Financing Sources (Uses):						
Operating transfers in						77,779
Operating transfers out			(159,982)		(159,982)	
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	3,219,636	914,183	(5,949,943)	1,696	(1,814,428)	59,810,178
Fund Balances July 1, as Restated	11,753,376	7,283,500	403,615,844	103,213	422,755,933	362,945,755
Fund Balances June 30	$ 14,973,012	$ 8,197,683	$ 397,665,901	$ 104,909	$ 420,941,505	$ 422,755,933

State of Mississippi

Nonexpendable Trust Funds

Combining Balance Sheet
June 30, 1987

	School for the Blind	Treasurer	Department of Archives and History	
	Endowment	Oil and Gas Taxes on State-owned Land	Dunbar Rowland	Stonewall Jackson Memorial
Assets:				
Cash and cash equivalents	$ 56,367	$ 19,044,142	$ 9,384	$ 36,358
Interest receivable		38,462	429	253
Interfund receivables		3,203		
Total Assets	$ 56,367	$ 19,085,807	$ 9,813	$ 36,611
Liabilities:				
Interfund payables	$	$ 116,533	$	$
Amounts held in custody for others				
Total Liabilities		116,533		
Fund Balances:				
Reserved for:				
Scholarships				20,000
Books and historical manuscripts			5,000	
Student activities	56,367			
Education and vocational training		17,502,026		
Other				
Unreserved		1,467,248	4,813	16,611
Total Fund Balances	56,367	18,969,274	9,813	36,611
Total Liabilities and Fund Balances	$ 56,367	$ 19,085,807	$ 9,813	$ 36,611

State of Mississippi

Nonexpendable Trust Funds

Combining Statement of Revenues, Expenses and Changes in Fund Balances
For the Year Ended June 30, 1987

	School for the Blind	Treasurer	Department of Archives and History	
	Endowment	Oil and Gas Taxes on State-owned Land	Dunbar Rowland	Stonewall Jackson Memorial
Operating Revenues:				
Interest income	$	$ 964,537	$ 826	$ 2,412
Oil and gas royalties		521,269		
Donations		14,882		
Total Operating Revenues		1,500,688	826	2,412
Operating Expenses:				
Scholarships				1,800
Administrative				12
Operating Income:		1,500,688	826	600
Other Financing Sources (Uses):				
Operating transfers in		165,817		
Operating transfers out		(973,709)		
Total Other Financing Sources (Uses)		(807,892)		
Net Income		692,796	826	600
Fund Balances July 1, as Restated	56,367	18,276,478	8,987	36,011
Fund Balances June 30	$ 56,367	$ 18,969,274	$ 9,813	$ 36,611

	Totals	
Other	June 30, 1987	June 30, 1986
$ 11,158	$ 19,157,409	$ 18,961,782
	39,144	87,558
	3,203	
$ 11,158	$ 19,199,756	$ 19,049,340
$	$ 116,533	$ 660,578
		600
	116,533	661,178
	20,000	20,000
	5,000	5,000
	56,367	56,367
	17,502,026	16,800,058
9,201	9,201	9,201
1,957	1,490,629	1,497,536
11,158	19,083,223	18,388,162
$ 11,158	$ 19,199,756	$ 19,049,340

	Totals for the Year Ended	
Other	June 30, 1987	June 30, 1986
$ 839	$ 968,614	$ 1,128,173
	521,269	4,567,083
	14,882	
839	1,504,765	5,695,256
	1,800	1,900
	12	
839	1,502,953	5,693,356
	165,817	5,884
	(973,709)	(802,048)
	(807,892)	(796,164)
839	695,061	4,897,192
10,319	18,388,162	13,490,970
$ 11,158	$ 19,083,223	$ 18,388,162

Combining Statement of Changes in Financial Position
For the Year Ended June 30, 1987

	Treasurer	Department of Archives and History			Totals for the Year Ended	
	Oil and Gas Taxes on State-owned Land	Dunbar Rowland	Stonewall Jackson Memorial	Other	June 30, 1987	June 30, 1986
Sources of Working Capital:						
Operations:						
Net income	$ 692,796	$ 826	$ 600	$ 839	$ 695,061	$ 4,897,192
Net Increase in Working Capital	$ 692,796	$ 826	$ 600	$ 839	$ 695,061	$ 4,897,192
Elements of Net Increase (Decrease) in Working Capital:						
Cash and cash equivalents	$ 193,483	$ 914	$ 391	$ 839	$ 195,627	$ 5,548,529
Investments						(6,725)
Interest receivable	(47,935)	(88)	(391)		(48,414)	15,954
Interfund receivable	3,203				3,203	
Interfund payables	544,045				544,045	(660,578)
Amounts held in custody for others			600		600	12
Net Increase in Working Capital	$ 692,796	$ 826	$ 600	$ 839	$ 695,061	$ 4,897,192

Combining Balance Sheet
June 30, 1987

	Public Employees' Retirement System	Highway Safety Patrol Retirement System	Totals June 30, 1987	Totals June 30, 1986
Assets:				
Current assets:				
Cash and cash equivalents	$ 296,762,904	$ 28,899	$ 296,791,803	$ 211,627,540
Investments	2,619,940,911		2,619,940,911	2,335,659,272
Collateral held under reverse repurchase agreements	662,508,008		662,508,008	348,125,534
Receivables:				
Securities sold	40,813,777		40,813,777	2,919,331
Interest	39,217,858		39,217,858	44,840,703
Dividends	2,395,751		2,395,751	1,033 179
Contributions	24,267,223	303,061	24,570,284	27,974,210
Other	389,536		389,536	1,020,826
Interfund receivables		75,211,121	75,211,121	67,653,450
Total Current Assets	3,686,295,968	75,543,081	3,761,839,049	3,040,854,045
Land	508,000		508,000	508,000
Buildings, net	3,365,436		3,365,436	3,454,000
Improvements other than buildings, net	117,422		117,422	125,595
Machinery and equipment, net	582,660		582,660	432,871
Total Assets	$3,690,869,486	$ 75,543,081	$ 3,766,412,567	$3,045,374,511
Liabilities:				
Warrants payable	$	$	$	$ 211,696
Accounts payable and accruals	26,419,341		26,419,341	32,687,699
Interfund payables	75,764,959		75,764,959	72,589,300
Obligations under reverse repurchase agreements	662,508,008		662,508,008	348,125,534
Total Liabilities	764,692,308		764,692,308	453,614,229
Fund Balances:				
Reserved for pension benefits	2,926,177,178	75,543,081	3,001,720,259	2,591,760,282
Total Liabilities and Fund Balances	$3,690,869,486	$ 75,543,081	$ 3,766,412,567	$ 3,045,374,511

Combining Statement of Revenues, Expenses and Changes in Fund Balances
For the Year Ended June 30, 1987

	Public Employees' Retirement System	Highway Safety Patrol Retirement System	Totals for the Year Ended	
			June 30, 1987	June 30, 1986
Operating Revenues:				
Member contributions	$ 111,112,890	$ 662,659	$ 111,775,549	$ 111,813,387
State contributions	60,833,275	2,617,554	63,450,829	65,005,402
Political subdivisions contributions	106,805,213		106,805,213	99,778,534
Interest income	191,710,266	5,947	191,716,213	186,509,305
Dividend income	25,408,354		25,408,354	16,594,297
Net income from investment transactions	113,364,412		113,364,412	141,189,539
Income from securities lending transactions	17,816,960		17,816,960	17,316,283
Drivers' license reinstatement fees		874,226	874,226	782,653
Other	422,923	58,670	481,593	409,298
Total Operating Revenues	627,474,293	4,219,056	631,693,349	639,398,698
Operating Expenses:				
Benefits	158,819,083	5,264,300	164,083,383	132,249,153
Rebates on securities lending transactions	15,983,738		15,983,738	15,581,455
Refunds	33,586,616	25,998	33,612,614	29,428,501
Administrative expenses:				
Personal services:				
Salaries, wages and fringe benefits	1,819,189		1,819,189	1,784,255
Travel	49,734		49,734	42,676
Contractual services	5,841,511		5,841,511	4,980,921
Commodities	163,095		163,095	95,833
Depreciation	198,150		198,150	147,675
Other	7,296		7,296	
Total Operating Expenses	216,468,412	5,290,298	221,758,710	184,310,469
Operating Income (Loss)	411,005,881	(1,071,242)	409,934,639	455,088,229
Other Financing Sources (Uses):				
Operating transfers in	25,338	8,424,001	8,449,339	8,725,739
Operating transfers out	(8,424,001)		(8,424,001)	(8,725,739)
Total Other Financing Sources (Uses)	(8,398,663)	8,424,001	25,338	0
Net Income	402,607,218	7,352,759	409,959,977	455,088,229
Fund Balances July 1	2,523,569,960	68,190,322	2,591,760,282	2,136,672,053
Fund Balances June 30	$ 2,926,177,178	$ 75,543,081	$ 3,001,720,259	$ 2,591,760,282

Combining Statement of Changes in Financial Position
For the Year Ended June 30, 1987

	Public Employees' Retirement System	Highway Safety Patrol Retirement System	Totals for the Year Ended June 30, 1987	Totals for the Year Ended June 30, 1986
Sources of Working Capital:				
Operations:				
Net income	$ 402,607,218	$ 7,352,759	$ 409,959,977	$ 455,088,229
Items not requiring working capital:				
Depreciation	198,150		198,150	147,675
Other				995
Working Capital Provided by Operations	402,805,368	7,352,759	410,158,127	455,236,899
Proceeds from sale of assets	10,794		10,794	(25,481)
Total Sources of Working Capital	402,816,162	7,352,759	410,168,921	455,211,418
Uses of Working Capital:				
Acquisition of machinery and equipment	261,996		261,996	873,212
Net Increase in Working Capital	$ 402,554,166	$ 7,352,759	$ 409,906,925	$ 454,338,206
Elements of Net Increase (Decrease) in Working Capital:				
Cash and cash equivalents	$ 85,186,844	$ (22,581)	$ 85,164,263	$(157,746,642)
Funds on deposit with Bureau of Buildings				(570,902)
Investments	284,281,639		284,281,639	552,243,769
Collateral held under reverse repurchase agreements	314,382,474		314,382,474	348,125,534
Receivables:				
Securities sold	37,894,446		37,894,446	1,001,428
Interest	(5,622,845)		(5,622,845)	4,639,586
Dividends	1,362,572		1,362,572	(309,395)
Contributions	(3,221,595)	(182,331)	(3,403,926)	(21,615,070)
Other	(631,290)		(631,290)	(546,411)
Interfund receivables		7,557,671	7,557,671	11,241,617
Warrants payable	211,696		211,696	(211,696)
Accounts payable and accruals	6,268,358		6,268,358	35,805,508
Book overdraft in bank account				466,771
Interfund payables	(3,175,659)		(3,175,659)	29,939,643
Obligations under reverse repurchase agreements	(314,382,474)		(314,382,474)	(348,125,534)
Net Increase in Working Capital	$ 402,554,166	$ 7,352,759	$ 409,906,925	$ 454,338,206

Combining Balance Sheet
June 30, 1987

	Deferred Compensation Plan	Social Security	Local Government Distributive	Program
Assets:				
Cash and cash equivalents	$ 337,837	$	$ 431,128	$ 21,743,574
Investments	86,722,687			3,435,760
Receivables:				
Interest and dividends	529,525			22,781
Contributions	657,460	633,362		
Other	19,401		1,074,658	
Interfund receivables		553,838		661,921
Commodity Inventory				167,496
Total Assets	$88,266,910	$ 1,187,200	$ 1,505,786	$ 26,031,532
Liabilities:				
Warrants payable	$	$	$ 231,359	$ 2,312,253
Accounts payable and accruals	147,144			425,483
Due to other governments		1,187,200	98,325	64,145
Interfund payables			101,375	116,521
Amounts held in custody for others	88,119,766		1,074,727	23,113,130
Total Liabilities	$ 88,266,910	$ 1,187,200	$ 1,505,786	$ 26,031,532

Institutional	Highway Refunded Bonds	Totals	
		June 30, 1987	June 30, 1986
$ 1,314,348	$ 62,365	$ 23,889,252	$ 37,016,619
		90,158,447	76,527,534
		552,306	582,008
		1,290,822	25,547,353
39,531		1,133,590	1,109,175
		1,215,759	5,751,672
		167,496	
$ 1,353,879	$ 62,365	$ 118,407,672	$ 146,534,361
$	$	$ 2,543,612	$ 2,290,935
21,024		593,651	1,414,880
		1,349,670	29,935,547
84,930		302,826	310,589
1,247,925	62,365	113,617,913	112,582,410
$ 1,353,879	$ 62,365	$ 118,407,672	$ 146,534,361

Combining Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 1987

	Assets					
Fund	Cash and Cash Equivalents	Investments	Receivables	Interfund Receivables	Commodity Inventory	Total Assets
Deferred Compensation Plan:						
Balance July 1, 1986	$ 410,138	$ 76,527,534	$ 1,241,057	$	$	$ 78,178,729
Additions	123,230,772	20,278,090	1,206,386			144,715,248
Deductions	123,303,073	10,082,937	1,241,057			134,627,067
Balance June 30, 1987	337,837	86,722,687	1,206,386			88,266,910
Social Security:						
Balance July 1, 1986			24,822,748	4,927,670		29,750,418
Additions			174,058,430	553,838		174,612,268
Deductions			198,247,816	4,927,670		203,175,486
Balance June 30, 1987			633,362	553,838		1,187,200
Local Government Distributive:						
Balance July 1, 1986	9,084,308		1,083,482			10,167,790
Additions	25,171,729		1,074,658			26,246,387
Deductions	33,824,909		1,083,482			34,908,391
Balance June 30, 1987	431,128		1,074,658			1,505,786
Program:						
Balance July 1, 1986	26,050,364		65,556	824,002		26,939,922
Additions	43,982,679	3,435,760	528,641	12,994,170	16,961,290	77,902,540
Deductions	48,289,469		571,416	13,156,251	16,793,794	78,810,930
Balance June 30, 1987	21,743,574	3,435,760	22,781	661,921	167,496	26,031,532
Institutional:						
Balance July 1, 1986	1,397,943		25,693			1,423,636
Additions	4,700,285		345,305			5,045,590
Deductions	4,783,880		331,467			5,115,347
Balance June 30, 1987	1,314,348		39,531			1,353,879
Highway Refunded Bonds:						
Balance July 1, 1986	73,866					73,866
Additions	80,475,896					80,475,896
Deductions	80,487,397					80,487,397
Balance June 30, 1987	62,365					62,365
Total - All Agency Funds:						
Balance July 1, 1986	37,016,619	76,527,534	27,238,536	5,751,672		146,534,361
Additions	277,561,361	23,713,850	177,213,420	13,548,008	16,961,290	508,997,929
Deductions	290,688,728	10,082,937	201,475,238	18,083,921	16,793,794	537,124,618
Balance June 30, 1987	$ 23,889,252	$ 90,158,447	$ 2,976,718	$ 1,215,759	$ 167,496	$ 118,407,672

Liabilities

Warrants Payable	Accounts Payable and Accruals	Due to Other Governments	Interfund Payables	Amounts Held In Custody for Others	Total Liabilities
$	$ 19,306	$	$	$ 78,159,423	$ 78,178,729
	147,144			9,960,343	10,107,487
	19,306				19,306
	147,144			88,119,766	88,266,910
		29,750,418			29,750,418
		174,612,268			174,612,268
		203,175,486			203,175,486
		1,187,200			1,187,200
21,488	1,800	94,275	97,650	9,952,577	10,167,790
231,359		98,325	101,375	21,171,488	21,602,547
21,488	1,800	94,275	97,650	30,049,338	30,264,551
231,359		98,325	101,375	1,074,727	1,505,786
2,269,447	1,384,674	90,854	156,544	23,038,403	26,939,922
2,312,253	434,371	506,560	8,086,671	46,546,043	57,885,898
2,269,447	1,393,562	533,269	8,126,694	46,471,316	58,794,288
2,312,253	425,483	64,145	116,521	23,113,130	26,031,532
	9,100		56,395	1,358,141	1,423,636
	178,665		311,631	4,357,363	4,847,659
	166,741		283,096	4,467,579	4,917,416
	21,024		84,930	1,247,925	1,353,879
				73,866	73,866
				80,475,896	80,475,896
				80,487,397	80,487,397
				62,365	62,365
2,290,935	1,414,880	29,935,547	310,589	112,582,410	146,534,361
2,543,612	760,180	175,217,153	8,499,677	162,511,133	349,531,755
2,290,935	1,581,409	203,803,030	8,507,440	161,475,630	377,658,444
$ 2,543,612	$ 593,651	$ 1,349,670	$ 302,826	$ 113,617,913	$ 118,407,672

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University Funds

University Funds account for all transactions relating to public institutions of higher learning, including a teaching hospital.

University Funds Descriptions

Current Funds	**Unrestricted Fund** — accounts for currently expendable resources which may be either designated or not designated by the universities for specific purposes.
	Restricted Fund — accounts for resources restricted by the donor or external agency for a specific use or program.
Fiduciary Funds	**Loan Fund** — accounts for resources provided by the federal government, private gifts, and other university funds, which are available for loans to students.
	Endowment Fund— accounts for resources which are invested in accordance with donor restrictions and only the income earned thereon may be expended.
	Agency Fund — accounts for amounts held in custody for students, university-related organizations, and others.
Plant Funds	Account for the various unexpended resources to finance the acquisition and/or repair or replacement of long-lived plant facilities, for renewal and replacement of those facilities-constructed from bond proceeds which remain governed under a related bond indenture of trust, for the resources restricted to interest and principal payments and other debt service charges related to plant indebtedness, and for all long-lived assets in the service of the universities and all construction in progress and their associated liabilities.

University Funds

Combining Balance Sheet
June 30,1987

	Current Funds	
	Unrestricted	Restricted
Assets:		
Cash and cash equivalents	$ 57,312,969	$ 4,484,275
Investments		
Accounts receivable, net	44,178,681	13,462,924
Interfund receivables	16,451,165	1,075,513
Inventories	10,964,885	
Prepaid expenses	2,896,566	10,045
Loans and notes receivable, net		
Land		
Buildings		
Improvements other than buildings		
Furniture, machinery and equipment		
Construction in progress		
Books and films		
Assets under capital lease		
Livestock		
Other assets		
Total Assets	$ 131,804,266	$ 19,032,757
Liabilities:		
Warrants payable	$ 13,659,208	$
Accounts payable and accruals	16,571,098	795,257
Interfund payables	9,177,534	5,195,634
Deferred revenue	8,864,650	905,756
General obligation bonds payable		
Revenue bonds and notes payable		
Obligations under capital lease		
Amount held in custody for others		
Other liabilities		
Total Liabilities	48,272,490	6,896,647
Fund Balances:		
Investment in fixed assets		
Fund balances:		
Reserved	24,140,204	6,021,401
Unreserved	59,391,572	6,114,709
Total Fund Balances	83,531,776	12,136,110
Total Liabilities and Fund Balances	$ 131,804,266	$ 19,032,757

Fiduciary Funds				Totals	
Loan	Endowment and Similar	Agency	Plant Funds	June 30,1987	June 30,1986
$ 9,282,434	$ 6,332,402	$ 2,335,500	$ 30,119,838	$ 109,867,418	$ 95,197,208
	6,459,985			6,459,985	14,788,289
4,681,720	10,042	77,707	1,723,287	64,134,361	48,639,859
73,204		546,997		18,146,879	11,357,951
				10,964,885	10,977,480
		1,700	466,402	3,374,713	2,923,455
38,874,855				38,874,855	43,471,103
			14,355,100	14,355,100	12,950,160
			468,561,191	468,561,191	465,035,363
			29,058,136	29,058,136	27,344,975
			149,337,788	149,337,788	148,600,875
			18,780,958	18,780,958	11,841,687
			74,825,457	74,825,457	70,246,121
			14,778,204	14,778,204	11,128,271
			1,948,272	1,948,272	1,663,079
	1,340,068			1,340,068	1,437,528
$ 52,912,213	$ 14,142,497	$ 2,961,904	$ 803,954,633	$ 1,024,808,270	$ 977,603,404
$	$	$	$	$ 13,659,208	$ 3,392,133
28,792		89,193	189,879	17,674,219	19,187,266
40,894	1,021	312,385		14,727,468	11,565,586
17,835	357,174			10,145,415	12,232,098
			11,969,000	11,969,000	13,258,000
			31,400,702	31,400,702	31,026,518
			9,378,809	9,378,809	7,910,797
		2,560,326		2,560,326	2,953,935
					138,818
87,521	358,195	2,961,904	52,938,390	111,515,147	101,665,151
			624,711,313	624,711,313	696,696,280
29,311,305	8,538,789		21,438,863	89,450,562	108,476,528
23,513,387	5,245,513		104,866,067	199,131,248	70,765,445
52,824,692	13,784,302		751,016,243	913,293,123	875,938,253
$ 52,912,213	$ 14,142,497	$ 2,961,904	$ 803,954,633	$ 1,024,808,270	$ 977,603,404

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General Fixed Assets Account Group

The General Fixed Assets Account Group accounts for fixed assets acquired for general governmental purposes. These include all fixed assets except those accounted for in the proprietary and fiduciary fund types.

State of Mississippi

General Fixed Assets

Schedule of General Fixed Assets by Function
June 30, 1987

Function	Land	Buildings	Improvements Other Than Buildings	Machinery and Equipment	Total
General government	$ 6,273,553	$ 56,467,390	$ 3,246,077	$ 16,764,836	$ 82,751,856
Education	198,960	8,788,143	851,512	97,190,180	107,028,795
Health and social services	876,628	91,612,079	7,218,481	50,634,253	150,341,441
Law, justice and public safety	4,278,039	127,803,419	8,378,495	32,504,921	172,964,874
Recreation and resources development	31,556,573	26,787,362	19,791,055	28,843,239	106,978,229
Regulation of business and professions		1,502,770	59,876	1,794,600	3,357,246
Transportation	2,823,748	12,838,062		61,565,243	77,227,053
Total General Fixed Assets Allocated to Functions	46,007,501	325,799,225	39,545,496	289,297,272	700,649,494
Construction in progress					16,387,030
Total General Fixed Assets					$ 717,036,524

State of Mississippi

General Fixed Assets

Schedule of Changes in General Fixed Assets
For the Year Ended June 30, 1987

	Balance July 1, 1986	Additions	Deletions	Balance June 30, 1987
Land	$ 46,005,694	$ 37,715	$ 35,908	$ 46,007,501
Buildings	288,947,204	39,201,262	2,349,241	325,799,225
Improvements other than buildings	36,190,380	3,368,776	13,660	39,545,496
Machinery and equipment	274,112,700	30,015,990	14,831,418	289,297,272
Construction in progress	35,777,335	20,524,023	39,914,328	16,387,030
Total	$ 681,033,313	$ 93,147,766	$ 57,144,555	$ 717,036,524

State of Mississippi

General Fixed Assets

Schedule of Changes in General Fixed Assets by Function
For the Year Ended June 30, 1987

	Balance July 1, 1986	Additions	Deletions	Balance June 30, 1987
General government	$ 78,336,396	$ 5,907,157	$ 1,491,697	$ 82,751,856
Education	99,430,134	9,893,516	2,294,855	107,028,795
Health and social services	143,641,700	8,967,343	2,267,602	150,341,441
Law, justice and public safety	136,045,211	41,098,495	4,178,832	172,964,874
Recreation and resources development	105,184,192	5,189,219	3,395,182	106,978,229
Regulation of business and professions	3,223,225	160,171	26,150	3,357,246
Transportation	79,395,120	1,407,842	3,575,909	77,227,053
Total by Function	645,255,978	72,623,743	17,230,227	700,649,494
Construction in progress	35,777,335	20,524,023	39,914,328	16,387,030
Total	$ 681,033,313	$ 93,147,766	$ 57,144,555	$ 717,036,524

General Long-term Obligations Account Group

The General Long-term Obligations Account Group accounts for the State's outstanding general obligation bonds, limited obligation bonds and other long-term obligations payable from governmental fund types.

Schedule of Changes in General Long-term Obligations
For the Year Ended June 30, 1987

	General Obligation Notes	General Obligation Bonds	Limited Obligation Bonds	Accrued Compensated Absences	Capital Lease Obligations	Other Long-term Obligations	Total
Balance at July 1, 1986, as previously reported	$	$216,348,000	$209,071,155	$ 34,905,819	$ 2,412,786	$ 1,877,577	$464,615,337
Notes and bonds issued	11,669,000	12,200,000	2,485,000				26,354,000
Compensated absences earned				19,169,329			19,169,329
Decrease in lease obligations					(1,464,227)		(1,464,227)
Increase in accreted value of capital appreciation bonds			2,853,508				2,853,508
Increase in lease obligations					3,250,240		3,250,240
Principal retirements and other decreases		(35,513,000)	(6,305,000)			(1,152,694)	(42,970,694)
Compensated absences taken				(18,537,818)			(18,537,818)
Balance at June 30, 1987	$ 11,669,000	$193,035,000	$208,104,663	$ 35,537,330	$ 4,198,799	$ 724,883	$453,269,675

Statistical and Economic Data

The accompanying statistical tables of the State of Mississippi reflect social and economic data to allow a broader understanding of the environment in which the State operates, as well as historical perspectives and financial trends to assess the fiscal capacity of State government. Statistical tables differ from financial statements because they usually cover more than two fiscal years and present certain nonaccounting data.

Expenditures by Function

All Governmental Fund Types For the Last Ten Fiscal Years

(Expressed in Thousands)

Table I

Function	1987	1986	1985	1984
General government	$ 563,363	$ 518,401	$ 699,728	$ 512,673
Education	990,151	926,117	821,412	784,538
Health and social services	1,091,492	1,035,220	761,171	718,295
Law, justice and public safety	128,922	131,847	117,394	130,680
Recreation and resources development	71,187	71,824	56,533	73,553
Regulation of business and professions	11,691	11,991	11,673	10,828
Transportation	345,887	403,515	385,511	344,563
Debt service	70,856	83,729	66,058	66,278
Capital outlay	23,913	24,822	41,804	25,841
Total Expenditures - All Governmental Fund Types	$ 3,297,462	$ 3,207,466	$ 2,961,284	$ 2,667,249

Source: Fiscal Years 1978-1985 -- Cash Basis Records of State of Mississippi, Department of Public Accounts
Fiscal Years 1986-1987 -- Mississippi Comprehensive Annual Financial Report, GAAP Basis
Note: Governmental Fund Types are described in Note 1C of the Notes to the Financial Statements.

Revenues by Source

All Governmental Fund Types For the Last Ten Fiscal Years

(Expressed in Thousands)

Table II

Source	1987	1986	1985	1984
State taxes	$ 1,936,314	$ 1,914,287	$ 1,732,596	$ 1,704,152
Licenses, fees and permits	68,864	63,921	72,882	78,374
Interest on investments	40,643	48,005	41,670	34,241
Federal government	1,357,658	1,281,371	940,752	853,382
Departmental services	149,055	144,082	168,266	179,265
Other	53,997	82,901	178,580	141,080
Total Revenues - All Governmental Fund Types	$ 3,606,531	$ 3,534,567	$ 3,134,746	$ 2,990,494

Source: Fiscal Years 1978-1985 -- Cash Basis Records of State of Mississippi, Department of Public Accounts
Fiscal Years 1986-1987 -- Mississippi Comprehensive Annual Financial Report, GAAP Basis
Note: Governmental Fund Types are described in Note 1C of the Notes to the Financial Statements.

State Tax Revenues by Source

All Governmental Fund Types For the Last Ten Fiscal Years

(Expressed in Thousands)

Table III

Source	1987	1986	1985	1984
Sales and use	$ 1,028,554	$ 1,039,574	$ 932,159	$ 888,024
Gasoline	146,209	149,983	123,203	114,776
Motor fuel and privilege	32,564	33,512	32,267	29,139
Motor vehicle registration	16,638	15,999	11,734	11,089
Individual income	301,893	276,966	219,492	258,207
Alcoholic beverage	40,646	39,417	37,949	35,492
Corporate income and franchise	159,608	146,757	172,973	167,544
Severance	50,719	70,213	92,899	102,956
Inheritance	9,590	13,039	10,688	8,555
Tobacco	54,507	54,424	36,599	34,081
Insurance	72,592	69,236	54,969	49,818
Nuclear power	17,810			
Other	4,984	5,167	7,664	4,471
Total Tax Revenues - All Governmental Fund Types	$ 1,936,314	$ 1,914,287	$ 1,732,596	$ 1,704,152

Source: Fiscal Years 1978-1985 -- Cash Basis Records of State of Mississippi, Department of Public Accounts
Fiscal Years 1986-1987 -- Mississippi Comprehensive Annual Financial Report, GAAP Basis
Note: Governmental Fund Types are described in Note 1C of the Notes to the Financial Statements.

1983	1982	1981	1980	1979	1978
$ 468,592	$ 443,983	$ 366,236	$ 339,829	$ 314,038	$ 285,177
744,434	733,351	785,427	754,385	662,095	595,287
600,360	636,251	655,269	601,232	525,226	428,344
130,611	94,245	88,111	78,111	74,135	63,532
63,626	65,220	52,591	52,550	48,855	43,099
10,417	8,479	8,717	7,154	6,714	5,338
339,996	349,886	374,889	350,583	262,003	213,420
67,090	68,590	66,678	65,480	53,674	70,461
23,573	39,151	67,089	78,201	56,923	31,163
$ 2,448,699	$ 2,439,156	$ 2,465,007	$ 2,327,525	$ 2,003,663	$ 1,735,821

1983	1982	1981	1980	1979	1978
$ 1,476,277	$ 1,419,325	$ 1,376,129	$ 1,229,932	$ 1,131,629	$ 1,045,232
66,702	60,836	51,943	44,729	38,296	32,736
45,526	60,919	46,049	29,942	19,675	14,882
773,398	786,953	811,482	802,616	693,029	627,808
158,766	157,174	142,436	127,114	131,191	111,274
177,013	104,631	167,381	165,128	116,856	96,161
$ 2,697,682	$ 2,589,838	$ 2,595,420	$ 2,399,461	$ 2,130,676	$ 1,928,093

1983	1982	1981	1980	1979	1978
$ 761,866	$ 767,460	$ 724,493	$ 671,910	$ 604,185	$ 546,194
113,541	94,967	112,333	121,324	120,752	137,273
27,388	26,888	21,408	19,189	17,900	16,628
10,238	10,000	10,050	9,598	9,295	8,484
197,188	167,783	200,145	149,948	153,079	131,105
35,953	36,302	34,795	32,554	34,011	28,560
110,449	106,480	95,743	89,057	79,896	72,288
114,627	117,013	87,886	52,515	32,923	27,559
8,043	6,587	6,053	6,006	4,615	5,298
35,067	35,074	34,510	33,231	32,300	32,044
57,468	42,256	39,923	36,872	34,515	31,403
4,449	8,515	8,790	7,728	8,158	8,396
$ 1,476,277	$ 1,419,325	$ 1,376,129	$ 1,229,932	$ 1,131,629	$ 1,045,232

Net General Long-term Bonded Debt Per capita

For the Last Ten Fiscal Years **Table IV**
(Expressed in Thousands Except Per capita Data)

		General Long-term Bonded Debt			
Fiscal year	**Population**	Principal Outstanding	Less: Debt Service Fund	Net	**Net General Long-term Debt Per capita**
1987	2,640	$ 412,809	$ 158,121	$ 254,688	$ 96
1986	2,625	425,419	172,626	252,793	96
1985	2,613	718,578	218,762	499,816	191
1984	2,598	745,133	181,258	563,875	217
1983	2,581	763,782	151,905	611,877	237
1982	2,569	782,421	117,880	664,541	259
1981	2,548	774,558	91,339	683,219	268
1980	2,523	774,984	64,098	710,886	282
1979	2,508	786,228	46,288	739,940	295
1978	2,488	764,791	20,978	743,813	299

Source: Population at December 31 - Mississippi Research and Development Center
General Long-term Bonded Debt -- State Treasurer
Debt Service Funds Available -- Fiscal Years 1978-1985 -- Cash Basis Records of State of Mississippi, Department of Public Accounts
Fiscal Years 1986-1987 -- Mississippi Comprehensive Annual Financial Report, GAAP Basis

Notes:

1. Total general long-term bonded debt and notes include limited obligation bonds payable from specific General Fund (GAAP Basis) revenues; it excludes general obligation bonds payable from enterprise and university funds.

2. Debt service fund represents monies designated for retirement of general long-term bonded debt for fiscal years 1977-1985 and represents designated general and debt service fund balances as reflected in the Mississippi Comprehensive Annual Financial Report, GAAP Basis, for fiscal years 1986-1987.

Ratio of Annual Debt Service for General Long-term Bonded Debt to Total Revenues and Expenditures

For the Last Ten Fiscal Years **Table V**
(Expressed in Thousands Except Ratio Data)

Fiscal Year	**Total Debt Service**	**Revenues**	**Ratio**	**Expenditures**	**Ratio**
1987	$ 70,856	$ 3,606,531	2.0	$ 3,297,462	2.1
1986	83,729	3,534,567	2.4	3,207,466	2.6
1985	66,058	3,134,746	2.1	2,961,284	2.2
1984	66,278	2,990,494	2.2	2,667,249	2.5
1983	67,090	2,697,682	2.5	2,448,699	2.7
1982	68,590	2,589,838	2.6	2,439,156	2.8
1981	66,678	2,595,420	2.6	2,465,007	2.7
1980	65,480	2,399,461	2.7	2,327,525	2.8
1979	53,674	2,130,676	2.5	2,003,663	2.7
1978	70,461	1,928,093	3.7	1,735,821	4.1

Source: Total Debt Service, Revenues and Expenditures -- Fiscal Years 1978-1985 -- Cash Basis Records of State of Mississippi, Department of Public Accounts
Fiscal Years 1986-1987 -- Mississippi Comprehensive Annual Financial Report, GAAP Basis

Note: Total debt service represents principal and interest paid on general and limited obligation bonds.

Computation of Legal Debt Margin

June 30, 1987
(Expressed in Thousands)

Table VI

Legal debt limit (1 1/2 times revenue collected during any one of the four preceding years, whichever is higher) (1)	$	$ 3,324,887
Amount of debt applicable to debt limit (2)	412,809	
Less: amounts available in debt service funds	158,121	
Net amount of debt applicable to debt limit		254,688
Legal Debt Margin		$ 3,070,199

Notes:

1. The State's constitutional debt limit is established under Section 115 of the Mississippi Constitution at one and one-half times the sum of all revenues collected by the State during any one of the four preceding fiscal years, whichever may be higher. Revenues included in the foregoing debt limitation computation are restricted by current practice to the following governmental fund revenues: taxes, licenses, fees and permits, investment income, rental income, service charges (including net income from the sale of alcoholic beverages), fines, forfeits, and penalties. Defined revenues for the four preceding years were:

Fiscal Year	Applicable Governmental Fund Revenues
1986	$ 2,216,591
1985	2,150,414
1984	2,025,444
1983	1,787,113

2. The legal debt limit applies to total general long-term bonded debt, which includes limited obligation bonds payable from specific General Fund revenues and excludes general obligation bonds payable from enterprise and university funds.

Revenue Bond Coverage

For the Last Five Fiscal Years

Table VII

MISSISSIPPI HOUSING FINANCE CORPORATION

				Debt Service Requirements			
Fiscal Year	Gross Revenues	Direct Operating Expenses	Net Revenue Available for Debt Service	Principal	Interest	Total	Coverage(1)
1987	$76,594,306	$ 2,086,464	$ 74,507,842	$ 33,445,500	$ 69,300,520	$ 102,746,020	.73
1986	61,294,148	1,097,151	60,196,997	11,940,182	53,820,543	65,760,725	.92
1985	41,992,150	739,397	41,252,753	62,035,000	35,660,308	97,695,308	.42
1984	32,549,034	537,156	32,011,878	1,975,000	30,151,984	32,126,984	1.00
1983	16,352,995	417,622	15,935,373		14,019,496	14,019,496	1.14

MISSISSIPPI HOSPITAL EQUIPMENT FINANCING AUTHORITY

				Debt Service Requirements			
Fiscal Year	Gross Revenues	Direct Operating Expenses	Net Revenue Available for Debt Service	Principal	Interest	Total	Coverage(1)
1987	$ 4,634,377	$ 686,178	$ 3,948,199	$ 3,795,000	$ 3,425,714	$ 7,220,714	.55
1986	2,310,228	260,301	2,049,927		1,948,188	1,948,188	1.05
1985(2)	2,266,294	267,173	1,999,121		1,856,190	1,856,190	1.08

Notes:

1. Under Mississippi Housing Finance Corporation's bond resolutions, investments and scheduled amounts of principal installments, including anticipated mortgage loan prepayments, are pledged to satisfy debt service requirements not covered by gross revenues; therefore, the State is not in default on any outstanding bonds.
2. Revenue bonds were issued by Mississippi Hospital Equipment Financing Authority during fiscal year 1985.

Demographic Statistics

For the Last Ten Calendar Years **Table VIII**

Calendar Year	Population (In Thousands)	Per capita Income (Current $)	Median Age	Public School Enrollment	Unemployment Rate
1987 (Est.)	2,640	$ 10,088	*	498,639	10.3%
1986	2,625	9,551	30.4	459,631	11.7
1985	2,613	9,183	30.0	459,049	10.3
1984	2,598	8,857	29.7	461,272	10.8
1983	2,581	8,235	29.3	462,581	12.6
1982	2,569	7,903	29.0	466,521	11.0
1981	2,548	7,529	28.6	472,304	8.3
1980	2,523	6,825	28.1	482,041	7.4
1979	2,508	6,368	27.8	491,440	5.8
1978	2,488	5,680	27.4	500,014	7.1

Source: Population -- Mississippi Research and Development Center
Per capita Income -- Mississippi Research and Development Center
Median Age -- Sales and Marketing Management, Survey of Buying Power, 1979-1987
Public Schools -- Kindergarten - Grade 12 -- Academic Year -- Mississippi State Department of Education
Unemployment Rate -- Mississippi Employment Security Commission

* Not available

Economic Characteristics

For the Last Ten Calendar Years **Table IX**

(Expressed in Millions)

Calendar year	Gross State Product (Current $)	Gross State Product (Inflation-Adjusted $)	Personal Income (Current $)	Personal Income (Inflation-Adjusted $)	Disposable Personal Income (Current $)
1987 (Est.)	$ 29,812	$ 25,754	$ 26,633	$ 22,400	$ 23,888
1986	28,396	25,408	25,072	21,955	22,512
1985	27,497	25,094	24,004	21,509	21,550
1984	26,748	24,813	23,010	21,525	20,650
1983	24,832	23,837	21,258	20,519	18,776
1982	23,919	23,919	20,303	20,303	17,906
1981	23,422	24,700	19,185	20,259	16,513
1980	21,233	24,467	17,217	19,812	14,869
1979	20,170	25,195	15,970	20,266	13,759
1978	18,098	24,385	14,133	19,548	12,561

Source: Mississippi Research and Development Center

Mississippi Gross State Product by Sector

(Expressed in Millions of Current Dollars)

Table X

Sector of Employment	Calendar Year 1987 (Est.)	1982	1977	Sector as Percentage of 1987 Growth Rate
Manufacturing	$ 9,554	$ 7,825	$ 5,619	4.8%
Construction	1,045	1,252	804	(.9)
Mining	594	1,110	382	7.3
Trade	4,796	3,341	2,295	6.3
Services	3,280	2,354	1,427	4.3
Finance, insurance and real estate	3,499	2,396	1,564	5.3
Transportation, communication and utilities	2,488	1,850	1,082	5.3
Federal, state and local government	3,505	2,670	1,717	4.6
Agriculture	1,051	1,121	1,033	7.7
Total Gross State Product	$ 29,812	$ 23,919	$ 15,923	5.0

Source: Mississippi Research and Development Center

Mississippi Average Annual Wage by Sector

Table XI

Sector of Employment	Calendar Year 1986	1981	1976	Percentage Increase from 1976 to 1986
Manufacturing	$ 17,388	$ 13,596	$ 8,757	99%
Construction	15,863	15,929	9,621	65
Mining	23,668	20,653	11,686	103
Trade	11,713	10,058	6,976	68
Services	14,045	10,791	7,191	95
Finance, insurance and real estate	18,175	13,700	9,098	100
Transportation, communication and utilities	21,949	17,466	11,149	97
Federal government	23,358	19,242	13,122	78
State and local government	14,378	10,956	8,881	62
Agriculture	10,700	8,989	7,710	39
Statewide Average Annual Wage	15,146	12,321	8,286	83

Source: Mississippi Employment Security Commission
Covered Employment & Wages

Bank Deposits, Retail Sales, Median Household Disposable Income

For the Last Ten Calendar Years **Table XII**
(Expressed in Thousands Except Median Income)

Calendar Year	Bank Deposits	Retail Sales	Individual IRS Collections	Median Household Disposable (Aftertax) Income
1986	$ 15,106,582	$ 16,202,000	$ 2,648,968	$ 17,111
1985	14,376,524	15,482,000	2,455,643	16,448
1984	13,383,748	14,052,000	2,284,784	18,099
1983	12,612,905	14,558,600	2,211,118	17,020
1982	11,571,314	14,886,800	2,528,495	16,019
1981	10,806,099	14,311,200	1,994,670	14,066
1980	9,796,932	13,343,600	1,718,718	13,387
1979	9,183,276	12,028,700	1,509,270	12,776
1978	8,312,771	10,590,000	1,264,367	11,991
1977	7,350,950	9,160,400	1,115,105	11,038

Source: Bank Deposits -- Department of Banking and Consumer Finance
Retail Sales -- Mississippi Research and Development Center
Individual IRS Collections -- Internal Revenue Service
Median Household Disposable (Aftertax) Income -- Sales and Marketing Management, Survey of Buying Power, 1978-1987

Population and Employment

For the Last Ten Calendar Years **Table XIII**
(Expressed in Thousands Except Unemployment Rate)

	1987 (Est.)	1986	1985	1984	1983	1982	1981	1980	1979	1978
Population	2,640	2,625	2,613	2,598	2,581	2,569	2,548	2,523	2,508	2,488
Employed	1,037	1,027	1,013	958	929	947	971	982	965	935
Unemployed	119	136	116	116	134	117	88	79	59	71
Total Labor Force	1,156	1,163	1,129	1,074	1,063	1,064	1,059	1,061	1,024	1,006
Mississippi Unemployment Rate	10.3%	11.7%	10.3%	10.8%	12.6%	11.0%	8.3%	7.4%	5.8%	7.1%
U.S. Unemployment Rate	6.4%	7.0%	7.2%	7.5%	9.6%	9.7%	7.6%	7.1%	5.8%	6.1%

Source: Population -- Mississippi Research and Development Center
Employed, Unemployed, Mississippi Unemployment Rate, U.S. Unemployment Rate, Calendar Years 1978-1986 -- Mississippi Employment Security Commission
Employed, Unemployed -- Calendar Year 1987 -- Mississippi Research and Development Center

Principal Industrial Employers

(Ranked by Number of Employees)

Table XIV

Company	Number of Plants	Number of Employees
Litton Industries	1	10,000
Mohasco Corporation	6	3,667
Georgia-Pacific Corporation	17	2,623
International Paper Company	5	2,601
General Motors Corporation	4	2,290
Emerson Electric Company	3	2,009
Movie Star, Incorporated	12	1,924
I. C. Isaacs and Company, Inc.	4	1,820
Kellwood Corporation	6	1,746
Sara Lee Corporation	2	1,726
United Technologies Corporation	1	1,650
Garan Incorporated	7	1,606
Delta Catfish Processors, Inc.	3	1,600
Bench Craft, Inc.	6	1,542
Action Industries, Inc.	2	1,535
Mason & Hanger - Silas Mason Company, Inc.	1	1,500
Peavey Electronics Corporation	3	1,490
Universal Manufacturing Corporation	3	1,480
Masonite Corporation	3	1,360
B. C. Rogers Poultry, Inc.	4	1,320
Lennox Industries	1	1,300
Red Cap Industries	7	1,299
Croft Metals, Inc.	2	1,250
Prentiss Manufacturing Company	4	1,235
McCarty Farms, Inc.	5	1,208

Source: Mississippi Research and Development Center
1988 Mississippi Manufacturers' Directory

Public School Enrollment

For the Last Ten Academic Years

Table XV

Academic Year	Kindergarten	Grades 1-3	Grades 4-6	Grades 7-9	Grades 10-12	Special Education	Total Enrollment
1986-1987	33,528	126,979	113,913	114,715	98,719	10,785	498,639
1985-1986	*	125,069	109,173	118,579	96,675	10,135	459,631
1984-1985	*	122,053	109,065	122,896	95,537	9,498	459,049
1983-1984	*	120,601	110,119	125,175	96,911	8,466	461,272
1982-1983	*	116,044	114,975	125,046	98,720	7,796	462,581
1981-1982	*	115,580	119,551	122,844	100,986	7,560	466,521
1980-1981	*	115,279	122,113	124,009	103,507	7,396	472,304
1979-1980	*	120,244	122,018	127,640	105,093	7,046	482,041
1978-1979	*	124,952	119,966	132,733	106,504	7,285	491,440
1977-1978	*	128,208	119,622	136,785	106,732	8,667	500,014

Source: Mississippi State Department of Education

* The Education Reform Act of 1982 requires public kindergartens beginning with the 1986/1987 academic year.

Full-time Equivalent Student Enrollment — Junior Colleges

For the Last Ten Academic Years **Table XVI**

Junior College	1986/1987	1985/1986	1984/1985	1983/1984
Coahoma Junior College	1,649	1,559	1,308	1,967
Copiah-Lincoln Junior College	1,931	1,783	1,926	1,996
East Central Junior College	1,207	1,175	1,135	1,044
East Mississippi Junior College	1,251	1,010	1,010	991
Gulf Coast Junior College	7,600	7,086	7,230	7,732
Hinds Junior College	8,374	7,221	7,672	8,300
Holmes Junior College	1,592	1,174	922	1,212
Itawamba Junior College	2,951	2,821	2,970	2,933
Jones Junior College	2,899	2,551	2,710	2,761
Meridian Junior College	2,058	2,903	3,025	3,223
Mississippi Delta Junior College	2,403	2,126	2,204	2,174
Northeast Mississippi Junior College	2,965	3,117	2,749	2,731
Northwest Mississippi Junior College	3,180	3,994	3,603	4,845
Pearl River Junior College	2,559	2,167	2,366	2,366
Southwest Mississippi Junior College	1,268	1,220	1,242	1,345
Utica Junior College	*	*	*	*
Total Junior Colleges	43,887	41,907	42,072	45,620

Source: Mississippi State Department of Education

* Hinds and Utica Organized Into a Unitary District

Full-time Equivalent on Campus Student Enrollment — Universities

For the Last Ten Academic Years **Table XVII**

University	1986/1987	1985/1986	1984/1985	1983/1984
Alcorn State University	2,247	2,285	2,199	2,375
Delta State University	2,842	2,627	2,892	2,841
Jackson State University	5,542	5,689	5,419	5,576
Mississippi University for Women	1,443	1,591	1,688	1,798
Mississippi State University	10,481	10,812	10,818	11,378
Mississippi Valley State University	1,953	2,080	2,280	2,445
University of Mississippi	8,439	8,393	8,100	8,554
University of Southern Mississippi	10,004	9,987	10,186	10,276
Total Universities	42,951	43,464	43,582	45,243
University of Mississippi Medical School	1,508	1,638	1,737	1,759

Source: Board of Trustees of State Institutions of Higher Learning, State of Mississippi

1982/1983	1981/1982	1980/1981	1979/1980	1978/1979	1977/1978
2,043	1,895	1,805	1,830	1,579	1,568
1,956	1,728	1,948	1,756	1,733	1,603
883	792	770	857	787	1,002
1,220	1,222	1,216	1,122	1,344	1,050
6,912	7,143	6,666	5,936	6,066	5,848
8,848	6,827	6,590	6,211	6,009	6,097
1,263	1,212	1,311	1,203	1,169	1,312
3,585	3,391	3,401	3,288	2,772	2,607
2,730	2,624	2,638	2,700	2,869	2,877
3,141	3,050	2,799	2,513	2,396	2,543
2,357	2,233	2,162	1,976	1,956	2,023
2,895	2,645	2,542	2,249	1,975	2,019
4,494	4,100	3,845	3,448	3,332	3,313
2,418	2,699	2,599	2,525	2,033	2,110
1,323	1,259	1,184	1,176	1,236	1,176
*	1,301	1,282	1,389	1,097	1,248
46,068	44,121	42,758	40,179	38,353	38,396

1982/1983	1981/1982	1980/1981	1979/1980	1978/1979	1977/1978
2,277	2,241	2,208	1,942	2,108	2,578
2,701	2,604	2,558	2,465	2,265	2,356
5,756	6,156	6,035	6,622	6,666	6,876
1,516	1,600	1,772	1,973	2,234	2,387
11,172	10,714	10,555	10,530	10,367	10,527
2,092	2,353	2,421	2,609	2,745	2,769
8,818	8,927	8,944	9,040	9,080	8,948
9,870	9,503	9,245	9,079	8,614	9,064
44,202	44,098	43,738	44,260	44,079	45,505
1,733	1,680	1,617	1,512	1,498	1,471